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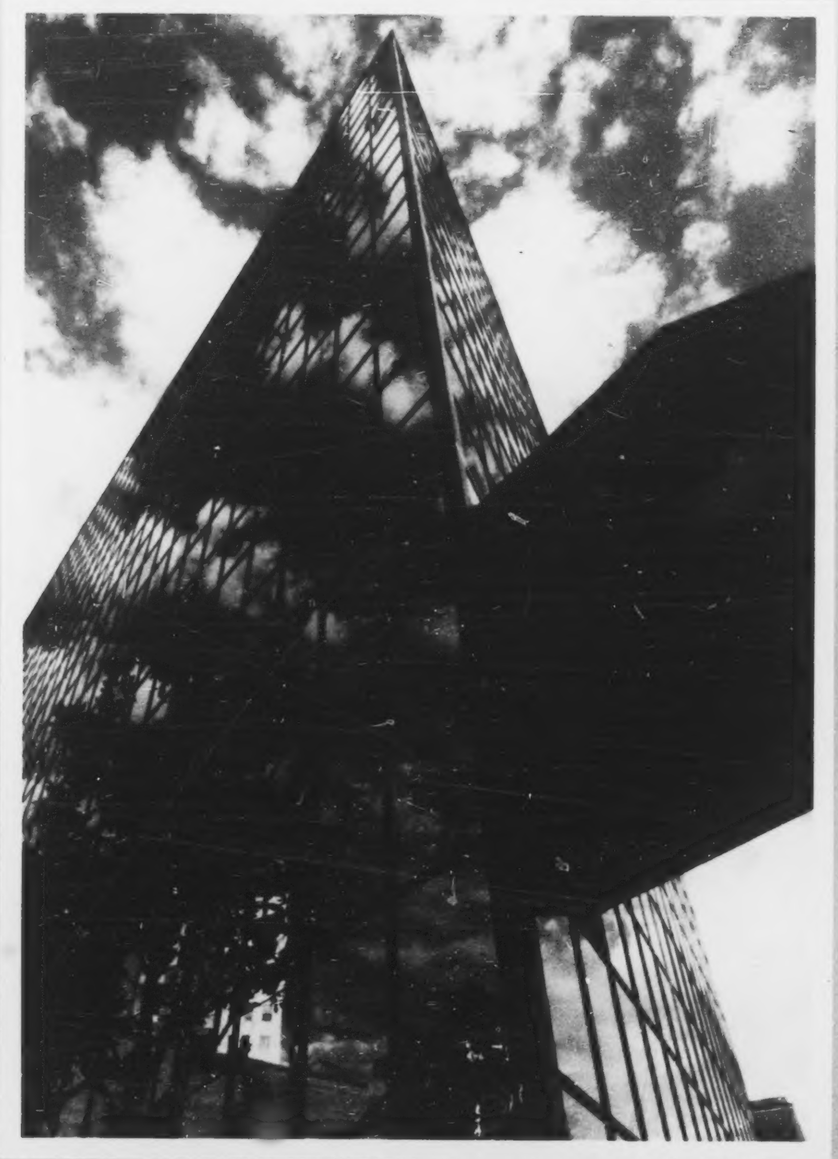
Digest

Iowa
DEVELOPMENT COMMISSION

November 1984



Terra Centre – Symbolizing Sioux City's Rebirth

Industrial Expansions

ASC American Sports Company, Inc.

relocates in Cedar Rapids

American Sports Company of Omaha, a manufacturer of specialty and promotional fiberglass items, will move its office and the bulk of its manufacturing operations to Cedar Rapids. Initial plans call for 30 employees occupying a 30,000-square-foot facility. Employment is expected to grow to 100 to 150 within a year as the company's sales increase. The major item to be manufactured in Cedar Rapids will be round refrigerators, decorated to represent beer or soft drink cans. Financing from Cedar Rapids is in excess of $1 million in the form of loans, as well as direct investment.

EDP

moves into new facility

Economy Data Products, Inc. of Des Moines has recently moved its operations into a new 52,000-square-foot facility, including a 40,000-square-foot warehouse designed to store raw paper and finished goods to a height of 22 feet. As a result of this expansion, EDP has added about fourteen people, and according to Harrington Mason, president, "Within the next year we plan to add another ten to twelve people involved in Telemarketing."

SPERRY

adds workers at Clear Lake facility

Sperry Univac will hire more than 100 new workers over the next nine months at the Clear Lake plant to produce a new computer system, the 1100/90, which is the fastest and largest model built by the company. Since April, approximately 100 people had already been hired, bringing current employment to 590.

Dewaine Osman, vice president of the Americas Division for Sperry computer systems operations, cited Iowa's hard-working and well-trained work force as the main reason for the additional staff. In addition, he was quoted as citing Iowa's "positive business climate" as a factor in further company investment at the Clear Lake plant.

TRANSAGRA CORPORATION

expands Storm Lake facilities

TransAgra Corporation in Storm Lake is expanding its current facilities with a 72,000-square-foot addition. The manufacturers of lactobacillus fermentation products for plant, animals and forage, TransAgra had added seven employees.

Cessna

United Hydraulics
Fluid Power Division
Cessna Aircraft Company

adds new product line at Hampton facility

United Hydraulics/Fluid Power Division of Hampton, a manufacturer of hydraulic cylinders and accumulators used in the mining, construction equipment, marine and military markets, has announced the addition of a new cylinder product line to its Hampton facility. Beginning in October, in addition to its traditional products, United will manufacturer a wide variety of single-action cylinders that are used primarily by agricultural equipment manufacturers. Over the next year, this expansion will add approximately 25 new jobs to the Hampton facility which currently employs 125 people. United Hydraulics is a subsidiary of Cessna Aircraft Company.

Mohawk ADVERTISING

expands Mason City offices

The Mohawk Advertising agency has recently completed a building construction project, bringing the entire office complex to 15,000-square-feet. During the last year, the Mason City based agency has added 19 employees for a total of 43 workers, and their client list now totals 19 consumer, industrial and agricultural accounts. Mohawk, now at $13 million in billings, is among the top four advertising agencies in Iowa.

WAL-MART

opens stores in Burlington and Mt. Pleasant

Wal-Mart Stores, Inc., has officially announced its plans to open discount department stores in both Burlington and Mt. Pleasant. The 79,900-square-foot Burlington store, which is currently under construction, is projected to open in the Spring of 1985. The opening of the store will provide approximately 115 jobs.

The new 50,968-square-foot Mt. Pleasant discount store, employing approximately 100 associates, is scheduled for final preparation in early 1985. In addition to the store, Wal-Mart Stores, Inc., is in the process of constructing a 653,000-square-foot distribution center in Mt. Pleasant, the company's seventh distribution center in the country.

Iowa goes to China

IOWA DEVELOPMENT COMMISS
ASIAN OFFICE

With a snip of a ribbon, Governor Terry Branstad initiated Iowa's official commercial presence in Asia with the September 24 opening of the Iowa Development Commission's Asian office, located in space leased from The Ertl Company of Dyersville in Hong Kong's World Shipping Center. During the grand opening ceremonies, Governor Branstad announced the appointment of Jimmy Chu (left) as the new director of the Asian office. Also pictured is Jack Bailey (right), director of the Iowa Development Commission.

W. Carl Jensen (left), vice president of operations for The Ertl Company's Hong Kong office, welcomes Jimmy Chu (right), the new director of the Iowa Development Commission's Asian office.

On the mainland

庆祝中华人民共和国成立三十五

After leaving Hong Kong, state officials accompanying the Governor on Iowa's mission to the Far East visited Iowa's sister state in the People's Republic of China, Heibei Province. The Iowa delegation was given a tour to the Great Wall of China (shown in the photo with Governor and Mrs. Branstad is Richard Doak, reporter for the ***Des Moines Register****) and were honored guests during the 35th anniversary of the founding of The People's Republic of China (above). After their four-day stay, the mission proceeded to Japan. This was the governor's first foreign mission since his election in 1982.*

Iowa leaders get advice

Pierre du Pont, governor of the state of Delaware, presented his formula for economic renaissance at the September 29 meeting of the Committee on Iowa's Future Growth, the 35-member panel appointed by Governor Branstad to recommend ways to improve the state's economy.

At the beginning of his presentation, Governor du Pont stated that his state was "at the very bottom of the economic pile" in 1976. Today, the state has a 12 percent budget surplus; it has cut personal income taxes twice; its unemployment rate is below the national average; and personal income growth leads all 50 states.

Du Pont credited the state's turnaround to his two-part formula for economic renaissance — a formula that might be adaptable to Iowa. The first part of this formula is to get the leaders of the private sector involved in the decision-making process; and secondly, to rein in state spending and taxes through constitutional amendments. This part of the formula is "very comforting" to employers interested in locating in the state, he said.

Delaware also made a deliberate effort to attract a new industry — financial institutions. To assist in these efforts, the Legislature passed special legislation removing interest rate ceilings with the stipulation that these provisions applied only to institutions that created 100 jobs in the state within a year.

In addition, the state lowered its maximum income tax rate from 19.8 percent to 10.7 percent. According to du Pont, the tax cut for the wealthy was seen as "an economic development tool, as a job generating tool," and apparently it has worked. While it was estimated that the cut would cost the state $25 million a year in revenue, the actual cost ended up to be only $8 million because of the additional growth generated in the economy.

An ASSET to U.S. business

The U.S. Agency for International Development (AID) has developed a computerized data base to help link small and medium-sized U.S. firms to potential buyers in developing countries. American companies that ship U.S. goods to their foreign subsidiaries will find ASSET useful as well. The Automated Supplier System for Export Trade, called ASSET for short, currently lists 33,000 U.S. exporters offering 2,500 products. Potential buyers can use ASSET to locate U.S. companies that manufacture the products they need. If your firm would like to be listed in ASSET, or if you're a buyer and would like to know how to find suppliers through ASSET, contact McManis Associates at 201 Sansome Street, San Francisco, CA 94104 or 1201 Connecticut Avenue NW, Washington, D.C. 20036. You can also call them at (415) 398-3087 (San Francisco) or (202) 466-7600 (Washington, D.C.)

Tools and Trends... in Community Marketing

Larry Cohick, director of the Birmingham, Alabama, Metropolitan Development Board, will be the keynote speaker at *Tools & Trends in Community Marketing*, a development conference scheduled for November 27 and 28 at the Hyatt Hotel across from the Des Moines Municipal Airport.

Cohick was prominantly featured in a 1983 series of articles by *The Des Moines Register* writer Arnold Garson comparing economic growth in Iowa and North Carolina.

Tools & Trends in Community Marketing, sponsored by the Iowa Development Commission, will include presentations on Community Prospecting, Government Incentives, Successful Location, Start-Up Training and Industrial Site Planning.

Governor Branstad will address the group and present awards recognizing excellence in industrial site information.

Inquiries about registration details should be addressed to Shelia Langdon at the IDC, 515/281-3664.

Waste material program

A system for industries to sell or buy usable waste materials is being offered in Iowa. The Iowa Association of Business and Industry is spearheading the work to include Iowa in the Illinois Industrial Exchange Service.

A participating company may list any waste material in the confidential exchange service. The service lists available waste six times per year. Presently, there is no charge for this listing.

If a company wants to list a waste material with the exchange service or receive the waste and exchange bulletin, please advise the Iowa Association of Business & Industry's office by letter at 717 Mulberry Street, Suite 706, Des Moines 50309.

Terra Centre: an elegant example of Sioux City "Renaissance"

Sioux City, today, is undergoing a rebirth of civic, business and industrial pride. With the establishment of the Council-City Manager form of government and a new Civic and Industrial Development Commission, the community attitude has changed from one of complacency to an aggressive desire to attract new industrial development investments for the greater Siouxland area.

Sioux City is the headquarters for several major corporations, including Advance Industries, Sioux Tools, IBP, Iowa Public Service, American Popcorn Company, Metz Baking, Schaeff/Namco, Sioux Bee Honey, Terra Chemicals International, Prince Manufacturing Corp. and Wilson Trailer.

Recent major investments include the new Marian Health Center, the St. Luke's Regional Medical Center, the new Iowa Public Service Building and at the heart of the new Sioux City, Terra Centre — a complex of office and retail space that serves as new headquarters for First National Bank, Norwest Bank and the Toy National Bank.

Terra Centre is, as the literature states, "an environment for the future." The 10-story steel framework houses 180,000-square-feet of office and retail space. The office tower is sheathed in insulating, reflective glass, and comfort systems are state-of-the-art. Low-cost heating and air conditioning can be controlled for entire floors, zones or individual offices.

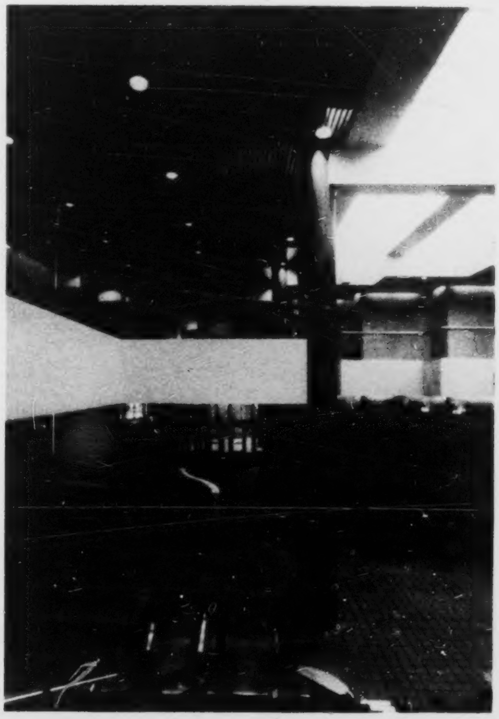
Terra Centre has been constructed to provide tenants with many important advantages that can mean significant dollar savings. For example, Terra Centre's telephone system is one of the newest and most modern systems available. It allows tenants to receive below-market rates for outgoing WATS service and has provisions for three-way conferencing, automatic callback and call forwarding.

Other features of the building include a security system which is in operation around the clock; a "life safety system" which can give immediate alerts to the Fire Department and pinpoint any trouble spot in the building; computer-controlled office lighting; emergency generators; and on-site building maintenance and management.

While office space occupies the upper levels, the first two levels of the building, surrounding the beautiful Terra Centre Atrium, have been designed for retail businesses. Not only will these businesses be able to draw customers from the building, but they will also be able to attract customers from the entire downtown perimeter. Three skywalks converge at the Atrium, carrying hundreds of people who are going about their daily business in downtown Sioux City. When completed, 22 blocks of Sioux City will be connected to Terra Centre by the all-weather covered skywalks.

The construction of Terre Centre is a result of the new community attitude and serves as a magnificent symbol of the aggressive spirit that is causing a period of dynamic growth in downtown Sioux City.

For more information about Terre Centre, contact the Terra Real Estate Corp., Terra Centre, 600 Fourth Street, Sioux City 51101; or call 1-800-831-1002 or in Iowa 1-800-352-1060.



The first two levels of the Terra Centre in downtown Sioux City opens onto the beautiful Terra Centre Atrium. This area has been designed for retail business. When fully leased, approximately 30 businesses will be located in the Terra Centre.

1984 Conference on Tourism

"All aboard!" Conference participants were shuttled to the Palace Theatre in Adventureland for the closing luncheon which featured the "Pride of Iowa" multi-media extravaganza produced by the University of Iowa.

Chuck Offenburger, the "Iowa Boy" feature columnist for the ***Des Moines Register****, advocated a summer-long festival called the "Super Summer of '86" during his address as the opening luncheon speaker.*

Craig Walter (right), executive director of Iowa's Hotel/ Motel Association, was honored as the Iowa Tourism Person of the Year. (Below) Members of the Boone & Scenic Valley Railroad celebrated as Iowa's first tourism train was named the Event of the Year.

A. J. "Toche" Terrones, executive director of the Boone Chamber of Commerce and a member of the Festivals of Iowa, is the newly elected president of the Iowa Travel Council.

The nearly 180 conference participants spent two days at the Adventureland Inn in Des Moines listening to speakers discuss tour packaging; how to work with travel writers; and new marketing techniques in the travel industry.

The community of Elkhorn provided Danish hors d'oeuvres prior to the Iowa Travel Council Awards Banquet held October 3.

J. Glasnapp (above, far left), president of the Iowa Travel Council, and Mrs. Tuttle presented the first annual Iowa Travel Council Awards during the Wednesday evening, October 3, banquet. Top honors were bestowed upon the "Mississippi Belle," owned by Bob and Ruth Kehl (above center) of Roberts River Ride in Dubuque, as the Iowa Tourism Attraction of the Year.

Mrs. Donna Tuttle, U.S. Under Secretary of Travel and Tourism for the United States Department of Commerce, served as the keynote speaker during the awards banquet. Mrs. Tuttle stated that Iowa has taken the right step with its adoption of an advertising theme. She termed the theme, "Come Explore the Heartland," as excellent because it conveys a sense of mystery and uniqueness.

Tourism campaign '85

Last year, the Visitors and Tourism Section of the IDC introduced a new advertising campaign utilizing the theme, "Come Explore the Heartland." As a means to build and expand on the success of this image campaign, and in response to the request for a joint-venture program by the private sector, the 1985 Co-op Advertising Program was unveiled during the 1984 Conference on Tourism held October 3 and 4 in Des Moines.

"It's the first major co-op advertising campaign ever proposed or undertaken," states Paul Comer, manager of the Visitors and Tourism Section of the IDC. "It provides a vehicle for the private sector to become more involved in a unified effort to continue to project the image of tourism in Iowa and the attractions here in a quality manner."

The campaign vehicle referred to is the utilization of a newspaper insert that will be distributed to the full Sunday run of selected publications in late March or early April. Sunday papers have the highest readership, and people tend to spend more time with their Sunday paper, looking over the entire paper versus key sections of interest as they would on other days of the week.

The utilization of a four-page, full-color insert would initiate a response from those prospects and give them a reason to respond by offering something positive to them. As research shows, inserts are most effective for generating inquiries, especially when the insert offers additional information for the reader at no cost or obligation.

In addition, the female is usually the motivator in terms of vacation or long-weekend planning. Sunday readership tends to skew toward the female reader who is more likely to respond to inserts.

The publications that are under consideration for utilization of this insert are the *Chicago Tribune* and either the *Kansas City Star* or the *Omaha World-Herald*. Given budget restraints, these publications provide the best prospects reached for the lowest cost. The insert, placed in two of these markets, will reach more than 1.5 million people located in Illinois, Wisconsin, eastern Minnesota, Missouri, Kansas and eastern Nebraska.

"Normally, we receive approximately 30,000 inquiries. With the advertising investment last year, more than 6,000 additional inquiries were received. In 1985, with the implementation of the insert, the number of inquiries could triple," states Comer.

The design of the insert provides a full-color photo and approximately four paragraphs of copy promoting a particular event or attraction on the inside pages. Participation in this spread, at a cost of $3,000, is limited to 12 attractions, assuring equal exposure for all participants.

Another means of having an attraction or event included in the insert is by purchasing a "vacation listing" on the back page at a cost of $250 for each listing. This section will accommodate 27 attractions. That means that nearly 1.6 million households will be reached for as little as 16¢ per thousand households.

The success of the 1985 Co-op Advertising Program depends on the participation of the private sector. By developing this insert in a unified effort, the promotion will have a greater impact. In addition, the success of this effort begins work that can be expanded and built on in years to come, evolving into a tradition that people outside the state can look forward to receiving year after year.

For more information about the tourism campaign, contact Paul Comer at 515/281-3100.

Additional loans granted under the Iowa Community Development Loan Program

Fort Madison, Marion and Ottumwa have been granted economic development loans under the Iowa Community Development Loan Program, administered by the Office of Planning and Placement.

The three cities were among 15 applicants for the currently available $450,000 in state funds. According to the applicant cities, the three projects are expected to create 72 new jobs and retain an additional 74 jobs. In addition to the $450,000 of state funds, the cities and local businesses are providing $3.275 million for these projects.

The Iowa Community Development Loan Program is designed to provide communities interest free loans of up to $250,000 to assist new businesses or to provide expansion opportunities for existing firms. To date, over 32 projects have been provided funds under this program.

Mt. Pleasant receives state award

The Community Development Society of Iowa has presented its annual state award for promoting community development to Ernie Hayes, former chairman and member of the Iowa Development Commission, and Ed King, mayor of Mount Pleasant, for their industrial development efforts in Mount Pleasant. At its annual meeting in Ames on October 11, the society also honored the tourism efforts of Robert's River Rides in Dubuque and the Boone & Scenic Valley Railroad.

Iowa Economic Indicators

Office for Planning and Programming

Edward J. Stanek, Ph.D., Director

Steven L. Rosenow, Staff Economist

GSP grows in second quarter: continued growth seen in '84

The total value of all goods and services produced in Iowa — its inflation-adjusted **Gross State Product** or GSP — grew by 0.4 percent during the second quarter of 1984. The annualized growth rate of 1.5 percent for the period is significantly less than the national growth rate of 7.1 percent for the same quarter; the lower growth rate for GSP portrays a state economy which is lagging the national recovery in both timing and in vigor.

Preliminary data for the recently-ended third quarter suggest an annualized growth rate of approximately 3.5 percent for the period. The estimate for the third quarter is based on partial data and will be revised as more information becomes available. This flash estimate of the rate of growth is similar to the preliminary Gross National Product growth estimate for the third quarter.

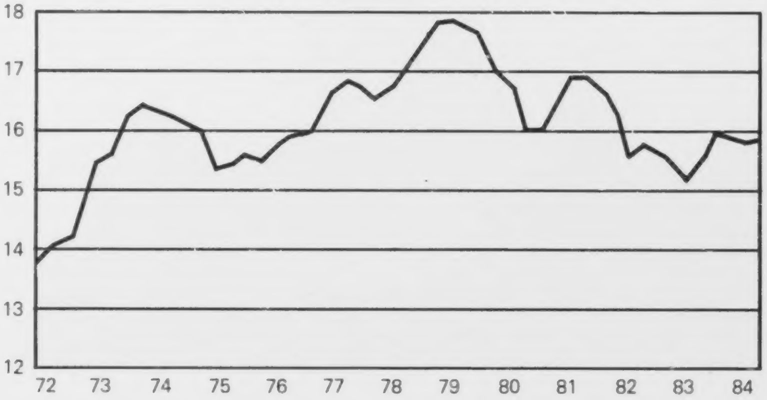
The growth of Iowa's economy during the second quarter occurred despite a weakening labor market. Total nonfarm payroll employment fell by 1.2 percent for the period, which contributed to a 0.5 percent decline and wages and salaries paid to the state's workers. The decline in wages and salaries,which account for about half of GSP, was offset by increases of 2.4 percent in dividends, interest and rental income and 4.5 percent in corporate profits attributed to production in Iowa.

Farm Income Improves

Farm proprietors' income also showed some improvement during the second quarter. However, this component of personal income remains exceptionally low by historical standards, and the turmoil which exists in the farm sector has been well documented. Some estimates suggest that as many as 10 percent of the state's farmers could go out of business during the next 12 months. They would be the victims of high interest rates, declining farmland values, the strong dollar and sluggish agricultural export activity. However, two events may ease these conditions for some farmers. One is stepped-up grain purchases by the Soviet Union which were scheduled to occur next year. The other is a change in federal programs which should assist in restructuring farm debts. Despite some recovery in the farm sector during the second quarter, the current uncertainty about the future health of agriculture is seen as the major risk to the state's economic recovery.

Iowa Gross State Product

(billions of constant 1972 dollars - seasonally adjusted annual rates)



Selected Economic Indicators

All Series Seasonally Adjusted

	Annual Average 1983	Latest Period	Value	Percent Change from Prior Period	Percent Change from Year Ago	Percent Change from 2 Years Ago
Iowa Gross State Product (billions)						
Constant (1972) dollars	15.6	'84 Q:2	15.8	.4	2.3	.8
Current dollars	33.6	'84 Q:2	35.2	1.1	6.1	8.3
Iowa Personal Income (billions)						
Constant dollars	15.0	'84 Q:2	15.1	.1	1.5	.7
Current dollars	32.2	'84 Q:2	33.5	.9	5.3	8.3
Gross National Product (billions)						
Constant dollars	1,534.7	'84 Q:2	1,640.8	1.9	7.6	10.8
Current dollars	3,304.8	'84 Q:2	3,648.1	2.7	11.7	19.2
Iowa Composite Indices						
Leading	139.4	August	146.0	.9	2.6	15.9
Coincident	131.9	August	135.8	.0	3.7	2.0
Lagging	128.0	August	132.0	.8	3.9	3.0

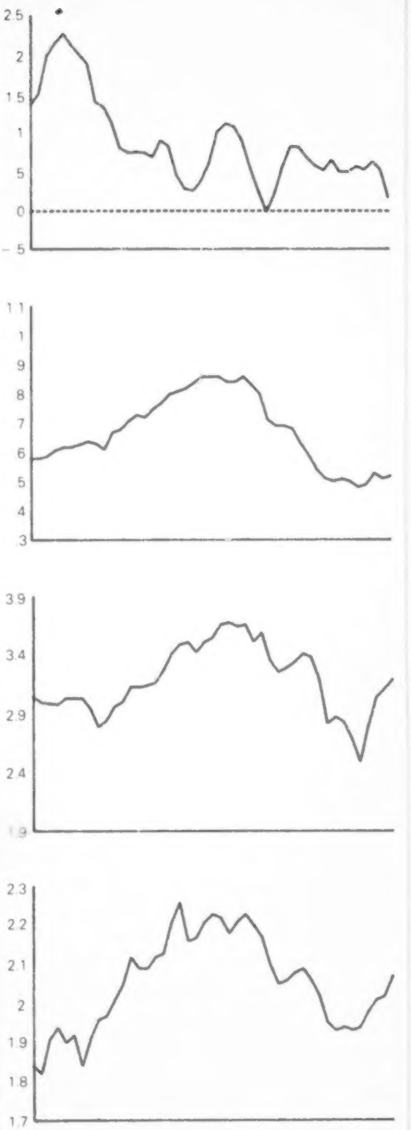
(All indices - 1967 = 100)	Annual Average 1983	August 1984	Percent Change from Previous Month	Percent Change from Previous Year	5-year High	5-year Low
Ia. Industrial Prod. Index	139.7	159.7	.8	12.4	173.2	129.5
Food & Kindred Products	138.9	137.5	.1	−2.8	145.7	133.7
Printing & Publishing	159.7	183.6	.4	6.8	183.6	154.5
Rubber & Plastics	253.7	359.7	2.1	14.2	359.7	230.2
Fabricated Metals	109.9	124.8	−.3	6.6	152.6	102.9
Nonelectrical Machinery	135.0	163.6	1.4	32.3	199.8	108.9
Electrical Equipment	114.9	121.8	.1	5.6	147.7	107.4

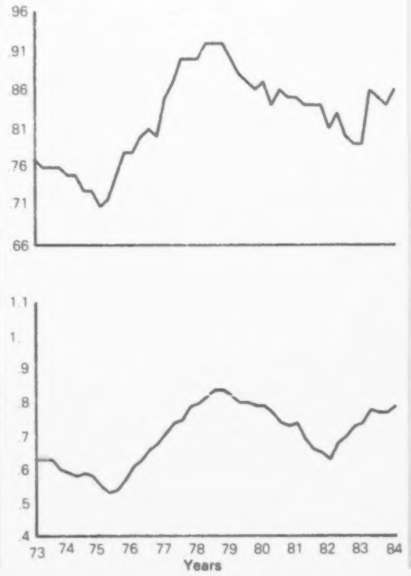
Nonfarm income rises in first quarter: farm sector experiences decline

Nagging problems in the farm sector continued to plague Iowa's economy during the first quarter of 1984. **Total labor, proprietors' and corporate income** adjusted for inflation dropped by 1.6 percent for the period, largely due to a 69 percent decline in agricultural income. The index of prices received by farmers for their crops dropped by five percent during the period. At the same time, interest rates began to drift upward, increasing the cost of doing business for most of the farmers in the state. Available estimates of farm proprietors' income for the second quarter indicate that some improvement in the sector is likely. However, high interest rates, low commodity prices and falling land values are likely to dampen income growth in agriculture in the near future.

Total income attributed to the **goods-producing** sector declined by 7 percent during the first quarter. Falling income in this sector was due entirely to the drop in farm income; income in the construction and manufacturing portions of the goods-producing sector actually rose substantially during the period.

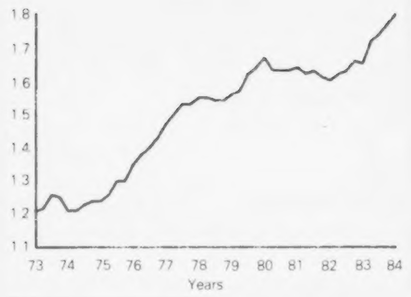
Total income generated in the **construction** industry rose by two percent during the first quarter after adjustment for inflation and seasonal factors. Despite rising interest rates, the state's construction industry experienced a surprisingly strong first quarter. The number of dwelling units included in new construction contracts rose by 2.6 percent over its level of the previous quarter. Much of the strength of the housing market has been attributed to an increasing reliance on adjustable-rate mortgages (ARM) in Iowa. These mortgages feature interest rates which vary with some indicator of current market interest rates, and usually feature below-market interest rates during the initial years of the mortgage. Use of ARMs for financing home purchases has been much higher in the Midwest than in other parts of the country. For example, the Federal Home Loan Bank of Des Moines reports that nearly 80 percent of the mortgage loans closed during May in the Des Moines district (Iowa, Missouri, Minnesota, North Dakota and South Dakota) were ARMs. During the same period, only 69 percent of the mortgage loans closed across the country featured adjustable rates. The construction industry appears to have maintained much of its strength during the second quarter, when the number of dwelling units





Total Labor, Proprietors' and Corporate Income in Iowa
Seasonally Adjusted at Annual Rates
Billions of Constant (1972) Dollars

	Annual 1982	Average 1983	1983 Q:4	1984 Q:1	Percent Change from 83 Q:4	83 Q:1
Total Income	10.39	10.77	11.10	10.92	– 1.6	– 1.7
Goods-producing	3.86	3.95	4.17	3.88	– 7.0	9.0
Agriculture	0.53	0.56	0.52	0.16	–69.2	–71.9
Mining	0.02	0.03	0.03	0.03	0.0	50.0
Construction	0.51	0.50	0.51	0.52	2.0	8.3
Manufacturing	2.80	2.86	3.11	3.20	2.9	28.5
Durable Goods	1.55	1.57	1.78	1.87	5.1	43.8
Primary Metals	0.08	0.08	0.10	0.11	10.0	57.1
Fabricated Metals	0.22	0.23	0.25	0.25	0.0	31.6
Machinery	0.65	0.59	0.66	0.70	6.1	45.8
Electrical Equipment	0.28	0.26	0.28	0.29	3.6	20.8
Nondurable Goods	1.25	1.29	1.34	1.33	– 0.7	11.8
Food and Kindred	0.58	0.58	0.59	0.59	0.0	5.4
Printing and Publishing	0.22	0.22	0.22	0.22	0.0	4.8
Rubber and Plastics	0.11	0.12	0.13	0.13	0.0	18.2
Service-producing	6.53	6.83	6.93	7.04	1.6	6.2
Transportation & Utilities	0.81	0.84	0.84	0.86	2.4	8.9
Trade	1.94	1.99	2.02	2.07	2.5	6.7
Wholesale	0.89	0.90	0.91	0.94	3.3	6.8
Retail	1.04	1.09	1.11	1.13	1.8	6.6
Finance, Insurance and Real Estate	0.68	0.77	0.77	0.79	2.6	6.8
Services	1.63	1.72	1.77	1.80	1.7	9.1
Government	1.48	1.52	1.52	1.52	0.0	0.7



continued to rise moderately. Data for the first two months of the third quarter indicate a possible faltering in the growth of residential construction during the period.

Total income attributed to the **manufacturing** industries rose by 2.9 percent during the first quarter. The increase was concentrated among producers of durable goods; income generated in the manufacture of nondurable goods actually declined by 0.7 percent during the quarter. Within durable goods, the most substantial income increases occurred in nonelectrical machinery manufacturing (up 6.1 percent) and electrical equipment manufacturing (up 3.6 percent). The growth of income among durable goods producers is a positive sign since the income generated in this sector is the force behind much of the rest of the economy, and this sector had been severely ravaged by the recession.

Income attributed to the manufacture of nondurable goods dropped slightly during the first quarter. The decline occurred entirely in the other nondurable goods category, which includes chemicals, apparel and paper products. Income generated in the food product industry was unchanged from the previous quarter's estimate.

Estimated total income generated in the **service-producing** sector of the state's economy grew by 1.6 percent in the first quarter. Growth rates for the industry groups within this sector ranged from no growth in government income to 3.3 percent in wholesale trade income. Income among the producers of services, which is usually less affected by national business cycles than income among the goods-producing industries, has grown steadily for the past eight quarters.

A slightly healthier nonfarm economy apparently demanded more products and services from the **transportation, communication and public utilities** industries during the first quarter, increasing income from these industries by 2.4 percent during the period. Increasing production levels among the state's manufacturers may have led to some increases in the demand for trucking and warehousing services, a major portion of this sector.

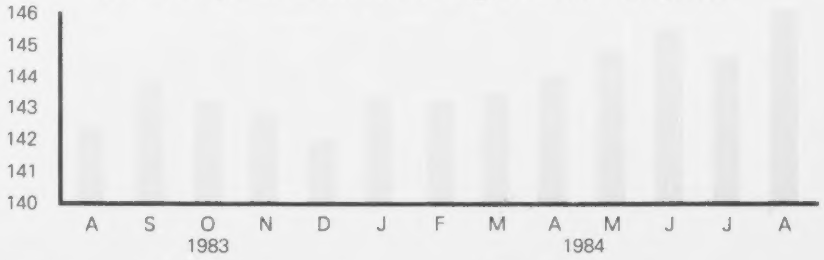
Total labor, proprietors' and corporate income from the **trade** industries has risen with the fortunes of the nonfarm economy during the past year and has risen by 6.7 percent from its level of the first quarter of last year. The annual growth was evenly divided between the wholesale and retail portions of the trade sector.

Total income attributed to the **finance, insurance and real estate** sector rose by 2.6 percent in the first quarter. Employment in this sector is usually quite stable, and the rising interest rates of the first quarter helped to boost income from this sector by increasing the return on insurance companies' assets.

The **service** industries, which include everything from barber shops to amusement parks, experienced growth in income of 1.7 percent during the first quarter. The growth in income from the service industries during the past year has been higher than that exhibited by any other portion of the service-producing sector.

Leading indicators rise; likely growth seen

Iowa Composite Index of Leading Economic Indicators



A bullish performance on Wall Street and signs of future improvement in the state's labor market combined to push the **Iowa Composite Index of Leading Economic Indicators** up by 0.9 percent in August. This index, which is designed to help assess the state's short-term economic outlook, has now risen in five of the past six months, decreasing only in July. The upward trend points to a decreasing likelihood of any major disruptions in the state's economy during the remainder of this year. The prime threats to this outlook are tied to interest rates and the strength of the dollar overseas. Current initial declines in short-term interest rates provide some basis for optimism.

The **Iowa Composite Index of Coincident Economic Indicators** remained unchanged in August from July's level. This index, which is designed to reflect current economic conditions, had declined for four consecutive months before increasing in July. The lack of change in August resulted from a decline in employment that was offset by increasing levels of industrial production. The number of new incorporations in Iowa and retail sales tax receipts adjusted for inflation also rose during the latest period. However, neither indicator rose by enough to affect the composite index.

The **Iowa Composite Index of Lagging Economic Indicators** posted a 0.8 percent increase in August on the strength of increases in the amount of newspaper advertising space purchased and state income tax withholding receipts. This index, which is designed to reflect recent economic performance, has stalled most of this year after exhibiting growth during the latter half of 1983.

JOB SERVICE OF IOWA

Labor Market Information

Richard Freeman, Director

Ann Wagner, Labor Market Analyst

Unemployment data for August reflected considerable improvement from one year ago for both the state and the nation. Iowa's rate dropped to 4.2 percent in August, down from 4.4 percent for July and 5.7 percent for one year ago. The August rate represented 56,700 unemployed persons out of a statewide labor force that totaled 1,361,000.

The statewide drop in unemployment paralleled the national trend. The U.S. unemployment rate dropped from 9.5 percent in August 1983 to 7.5 percent in August 1984. (U.S. rates are seasonally adjusted.)

Total employment in Iowa registered a gain from last year. Employment rose to 1,304,300 in August from 1,293,700 for August 1983. Gains were all concentrated in the nonagricultural wage and salary sector of the economy.

Nonagricultural wage and salary employment (place of work) increased by 1,600 from July, and 18,700 from one year ago. Due to the large number of workers involved in labor disputes last year, employment increases from one year ago were somewhat overstated. A total of 5,400 workers were on strike during August 1983; 3,700 of those workers were separated from jobs in the communications industry.

Annual employment changes for the individual industries depicted an encouraging turnaround in durable goods manufacturing (13,300) and construction (4,400). These same industries were the first to incur employment losses in 1980, as Iowa's economy first felt the effects of a nationwide recession. Gains in these industries resulted from a combination of new hire and recall activity.

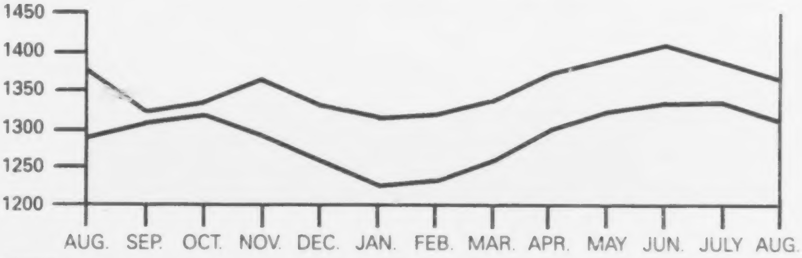
Iowa Labor Force Summary
(In Thousands)

	August 1984	July 1984	August 1983
Resident Civilian Labor Force	1,361.0	1,384.5	1,371.7
Resident Unemployed	56.7	61.5	78.0
Percent Unemployed	4.2	4.4	5.7
Resident Total Employment	1,304.3	1,322.9	1,293.7
National Unemployment Rate*	7.5	7.5	9.5
Iowa CPS Unemployment Rate**	5.9	6.4	7.7

*Seasonally adjusted rate.

**Current Population Survey (CPS) rate should be used for federal and state funding purposes

Labor Force, Employment, Percent Unemployed
Aug. 1983 thru Aug. 1984 (Non-CPS) State of Iowa



% Unem-ployed	5.7	4.5	4.4	4.6	4.9	6.4	6.2	5.9	5.4	4.7	4.5	4.4	4.2

Iowa Nonagricultural Wage and Salary Employment
Place of Work Data - In Thousands

	August 1984	July 1984	August 1983	Net Change From July 1984	Net Change From August 1983
Total Nonagricultural	1,024.5	1,022.9	1,005.8	1.6	18.7
Manufacturing	207.7	207.2	194.5	.5	13.2
Durable Goods	120.8	120.3	107.5	.5	13.3
Nondurable Goods	86.9	87.0	87.1	−.1	− .2
Nonmanufacturing	816.8	815.7	811.3	1.1	5.5
Mining	2.3	2.3	2.0	0	.3
Construction	47.1	46.2	42.7	.9	4.4
Transportation, Communication & Utilities	49.9	49.9	46.2	0	3.7
Trade	261.4	261.2	262.8	.2	−1.4
Finance, Insurance & Real Estate	61.9	61.9	60.4	0	1.5
Services	204.3	203.3	206.3	1.0	−2.0
Government	189.9	190.7	191.0	−.8	−1.1

Iowa Ag & Business Indicators

Compiled by the Iowa Development Commission

Labor Demand and Supply[1]

August, 1984

Service Areas	Individual Placements	New Applicants & Renewals	Service Areas	Individual Placements	New Applicants & Renewals
Ames	475	740	Iowa City	498	1,917
Atlantic	231	493	Keokuk	90	580
Burlington	1,122	1,767	Marshalltown	1,264	1,624
Carroll	230	670	Mason City	963	1,576
Cedar Rapids	441	2,335	Muscatine	127	582
Centerville	160	373	Newton	437	635
Charles City	98	135	Oskaloosa	217	488
Clinton	705	1,471	Ottumwa	370	1,233
Council Bluffs	NA	NA	Sheldon	561	728
Creston	92	475	Shenandoah	186	614
Davenport	526	3,434	Sioux City	2,142	3,184
Decorah	49	302	Spencer	192	604
Des Moines	1,281	4,380	Storm Lake	184	409
Dubuque	259	1,919	Waterloo	1,214	2,515
Fairfield	39	191	Webster City	85	341
Fort Dodge	759	1,228			
Fort Madison	231	599	**Statewide**	**15,323**	**37,810**

[1] All new applicants and job openings listed with Iowa Department of Job Service

U.S. Consumer Price Index

	July 1984	July 1983
All Urban Consumers (1967 = 100)	311.7	299.3

U.S. Composite Construction Cost Index

	April 1984	April 1983
U.S. Composite Construction Cost Index (1977 = 100)	161.9	156.8

Business Data

	7/84	7/83	7 mos./84	7 mos./83
New Car Registrations	6,956	8,631	53,748	53,463
Iowa Savings & Loan ($000,000)				
Total Loans Closed	69.7	46.3	403.8	254.7
Savings	13.8	26.2	174.1	587.5
Work Force (000)	1,384.6	1,391.7	1,356.3	1,363.3
Unemployment	61.3	78.6	72.3	94.6
Rate (% of work force)	4.4	5.6	5.4	7.0
Employment	1,323.3	1,313.2	1,284.0	1,268.7

Value of New Dwellings[1] ($000)

	8/84	8/83	8 mos./84	8 mos./83
Ames	$ 2,527.5	$ 1,448.0	$ 4,482.5	$ 3,260.0
Bettendorf	985.6	2,010.9	6,217.2	5,539.6
Burlington	52.0	36.0	993.0	984.7
Cedar Falls	136.6	234.4	1,407.5	1,101.5
Cedar Rapids	385.8	142.9	2,801.5	1,119.1
Clinton	65.0	372.0	345.0	854.5
Council Bluffs	782.1	576.0	5,360.5	1,923.5
Davenport	1,351.7	721.4	6,998.2	5,317.4
Des Moines	799.7	186.3	22,938.0	3,706.8
Dubuque	278.2	277.8	1,537.9	970.3
Fort Dodge	204.0	0	4,437.5	864.3
Iowa City	668.9	2,134.3	14,256.4	24,147.8
Keokuk	175.0	0	546.0	246.0
Marion	0	69.0	942.3	613.2
Marshalltown	45.0	948.0	468.0	1,185.0
Mason City	598.0	551.0	3,643.8	2,135.1
Muscatine	0	1,850.0	990.0	4,865.6
Newton	0	65.0	235.8	240.0
Ottumwa	57.6	0	286.6	445.0
Sioux City	193.0	297.8	1,584.9	1,399.0
Urbandale	1,717.7	658.9	12,515.0	4,243.7
Waterloo	45.1	656.6	1,015.8	2,012.1
W. Des Moines	6,882.9	968.4	17,392.5	10,300.2
Total	**$ 17,951.4**	**$ 14,204.7**	**$ 111,395.9**	**$ 77,474.4**

[1] Single, two-family and multiple residential dwellings, based on housing permits issued.

Leading States for Farm Marketing ($ Mil.)

	Total		Crops		Livestock & Products	
	6 mos./84	6 mos./83	6 mos./84	6 mos./83	6 mos./84	6 mos./83
U.S.	35,841.5	35,003.4	24,966.6	28,961.6	60,808.0	63,895.1
Iowa	2,506.1	2,878.7	1,547.5	2,230.4	4,053.6	5,109.1
California	2,171.5	2,036.3	3,147.3	2,962.6	5,318.8	4,998.9
Texas	2,933.2	2,712.8	1,158.4	1,457.9	4,091.5	4,170.7
Illinois	1,154.8	1,179.2	2,479.6	3,490.9	3,634.4	4,670.1
Kansas	2,121.7	1,986.7	721.6	825.4	2,843.3	2,812.0
Nebraska	2,217.1	2,239.8	626.1	1,189.0	2,843.2	3,428.8
Minnesota	1,669.4	1,704.0	953.4	1,288.3	2,622.7	2,992.3
Wisconsin	1,955.6	2,118.5	385.3	420.5	2,340.9	2,539.0
Florida	499.6	475.7	2,286.3	2,415.0	2,186.0	2,890.7

Personal Income Quarterly Periods

	1984 I	1983 I
Personal Income ($000,000)	36,566	30,722

Stock Index

	Iowa*	Dow Jones Industrial
June, 1984	197.80	1,132.40
July, 1984	190.52	1,115.28
August, 1984	210.76	1,224.38

*Robert C. Westlund, Piper, Jaffray & Hopwood, inc.
(1967 = 100)

Average Price Received by Farmers

	8/84	7/84	8/83
Corn, bu.	$ 3.05	$ 3.21	$ 3.27
Soybeans, bu.	6.46	6.96	7.37
Oats, bu.	1.75	1.83	1.60
Hogs, cwt.	50.40	51.60	46.60
Beef cattle, cwt.	56.30	57.70	56.10
Calves	56.70	57.80	54.50
Milk (whls), cwt.	12.60	12.50	12.70
Sheep, cwt.	18.00	18.10	14.50
Lambs, cwt.	62.00	61.10	48.30
Eggs (market), doz.	.42	.43	.49
All hay, ton baled	57.00	63.00	54.00
Turkeys, lb.	.44	.44	.34

Average Price Paid by Farmers

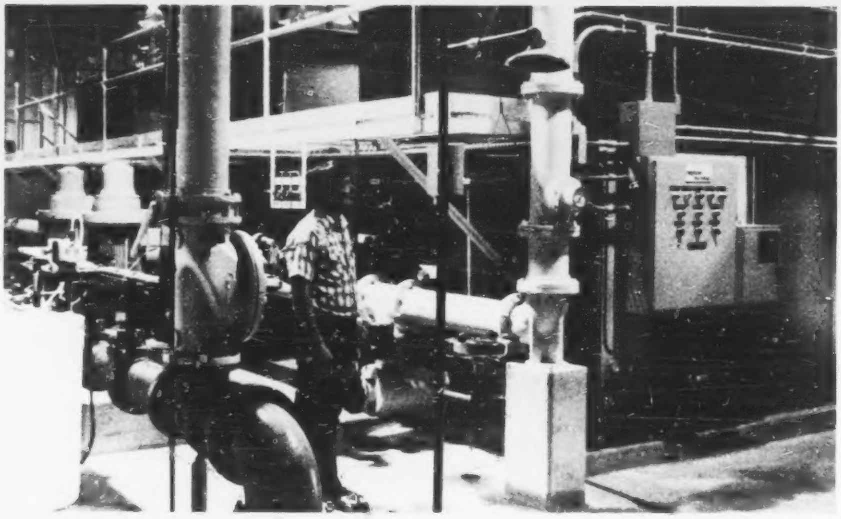
	8/15/84	8/15/83
Beef cattle concentrated, 32-36%	$ 12.00	$ 13.60
Hog feed, 38-42% protein	13.80	16.10
Soybean meal, 44% protein	11.00	14.50
Dairy feed, 16% protein	187.00	200.00
Poultry feed, layer ration	205.00	192.00

Commodity Feed Price Ratios

	8/15/84	8/15/83
Hog — corn[1]	16.5	14.3
Beef cattle — corn[1]	18.5	17.2
Egg — feed[2]	4.6	5.4
Milk — feed[3]	1.35	1.27

[1] Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.
[2] Pounds of laying feed equal in value to 12 eggs.
[3] Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Unique water treatment plant operating in Greenfield



The new Greenfield Water Treatment Plant utilizes the Trident water treatment system, composed of two compartments. First is the Clarifier compartment with a plastic particle media which filters out the major portion of the contaminates. The water then flows through the second compartment which consists of filter, made up of a fine to coarse sand and gravel media.

The new Greenfield Municipal Utilities Water Treatment Plant is the first in the state, and one of the few in the country, to employ the Trident water treatment system. This cost-effective process provides a better quality of water because it is controlled by a micro processor that continuously monitors the quality of the treated water and changes chemical dosages accordingly.

This treatment system is capable of providing 700 gallons per minute of treated water on a continuous basis; with a total capacity of 1,050 gallons per minute. This is equal to 1 million gallons per day continuously and 1.5 million gallons per day total capacity.

For more information about the Greenfield Water Treatment Plant, contact Duane Armstead, superintendent, at P.O. Box 95, Greenfield 50849.

Free publicity for your products

The Johnston International Publishing Corp., one of the oldest and largest publishers in the United States specializing in international business magazines, will publish, free of charge, news releases discussing new or relatively new products. Their line of inquiries is quite varied and can provide some excellent exposure in the international marketplace. For additional information, contact the International Marketing Section at the IDC, 515/281-6823.

New IDC staff

Riekena joins Marketing Group

Ron Riekena has joined the Marketing Group in the newly-created position of business and industry training liaison in the Human Resources Section. Prior to joining the IDC, Riekena served as the personnel director for Babson Brothers in Osceola and served as 1983-84 chairperson of the Private Industry Council-JTPA for SDA 14. In addition, he has 26 years of experience in public education, serving as superintendent of schools in both Kanawha and Osceola.

A graduate of Drake University, Riekena has a master's degree from the University of Northern Iowa and a doctorate from Iowa State University.

Jarvis joins Communications Group

Wendol Jarvis has joined the staff of the Communications Group as audio visual/film manager, replacing Bill Lindstrom who resigned to serve as director of the Wyoming Film Office.

Prior to joining the IDC, Jarvis served as the photographer for the Veterans Administration Medical Center and as coordinator of creative visual services for Iowa Farm Bureau Management Corporation. He has received numerous awards for excellence in both his AV production and photography.

Kersten joins Community Resources staff

James B. Kersten has joined the Community Resources Group as a regional manager, replacing Debbie Calvert who resigned to join Shive-Hattery Engineers in Des Moines. Kersten, a native of Fort Dodge, served as an intern in economic development at the Iowa Development Commission while attending Drake University. He received his degree in public administration from Drake in May 1984.

Available Buildings

This is not a complete list of all buildings available in Iowa. For further information, please call 515-281-3251.

Square Footage	Community	Former Use
10,000	Charles City	Spec Building
11,000	Dubuque	Light Industrial
11,750	Iowa City	Industrial
11,916	Winfield	Light Manufacturing
12,000	Sioux City	Spec Building
12,500	Cherokee	Light Industrial
13,500	New Hampton	Industrial
14,794	Adel	Industrial
15,200	Brooklyn	Manufacturing
16,000	Lake Mills	Manufacturing
20,000	Clinton	Spec Building
20,000	Maquoketa	Spec Building
21,000	Corning	Spec Building
21,205	Oskaloosa	Spec Building
21,379	Waterloo	Commercial
22,280	Humboldt	Industrial
22,500	Red Oak	Spec Building
23,000	Waverly	Spec Building
27,660	Pella	Industrial
30,000	Marshalltown	Spec Building
31,516	Webster City	Distribution
35,706	Mason City	Light Industrial
37,500	Spencer	Manufacturing
40,000	Creston	Spec Building
42,300	Jefferson	Light Industrial
45,486	Humboldt	Warehousing
49,474	Albia	Manufacturing
54,080	Oskaloosa	Industrial
59,512	Denison	Manufacturing
65,106	Ottumwa	Industrial
70,766	Forest City	Manufacturing
72,000	Davenport	Light Industrial
96,250	Davenport	Heavy Industrial
106,288	Des Moines	Manufacturing
108,000	Waterloo	Heavy Industrial
121,500	Sioux City	Heavy Industrial
130,227	Urbandale	Manufacturing
137,500	Centerville	Manufacturing
159,339	Mason City	Manufacturing
169,000	Red Oak	Manufacturing
186,567	Sac City	Industrial
248,530	Waterloo	Manufacturing

Iowa®
DEVELOPMENT
COMMISSION

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Nov. 1984 Vol. XIII-No. 10

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Iowa State University's

Ag POLICY SEMINARS

A series of six Ag Policy Seminars to analyze current economic and political aspects of agricultural policy in depth and examine the consequences of alternative policies will be held throughout Iowa in December.

Sponsored by Iowa State University, the two-day program will be repeated at each of six sites, according to C. Phillip Baumel, ISU Extension economist who's serving as program chairman. The program will be conducted in **Iowa City**, December 3 and 4; **Waverly**, December 5 and 6; **Des Moines**, December 6 and 7; **Sioux City**, December 11 and 12; **Fort Dodge**, December 12 and 13; and **Red Oak**, December 13 and 14.

"The seminars will examine options in agricultural policy for the next decade as well as options for the 1985 farm bill," Baumel said. "Speakers will explore main policy options that have an impact on agriculture and examine the alternatives, their cost, implications and effect on Iowa.

"While the focus is on agriculture, that industry affects most of Iowa's main street business and much of its other industry. The program is designed for key leaders from agriculture, business, industry and community, as well as individuals who want to know more about agriculture and economic policy and its effects on the local economy," he added.

Speakers will include economic and political advisers from Washington, D.C., agribusiness leaders, and the leading agricultural economists from Iowa and surrounding states who are known nationally for their expertise in these topics.

Persons interested in attending may contact any county Extension Service office in the state for further program details and registration information.

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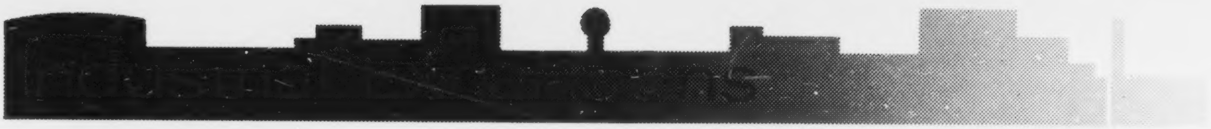
Digest

THRU THE YEARS

Dyersville - the Farm Toy Capital of the World



TUBETECHNIK NORTH AMERICA, INC.

announces new Stockton plant

Tubetechnik North America has begun the construction of a new manufacturing plant at its Stockton location. The new facility will allow Tubetechnik to expand its current capacity and increase the number of secondary services it provides its customers.

The 30,000-square-foot plant will be ready for occupancy by late 1984 or early 1985. The facility will allow Tubetechnik to process in excess of 500 tons of processed tube and extrusions per week. As a result of this increased production, Tubetechnik expects to add 50 employees by the end of 1985.

Tubetechnik, which has the exclusive North American rights to a patented processing technique that automatically places holes in tube and extrusions without deformation and with high precision, was founded as a result of a joint-venture prospect that was sent to the Iowa Development Commission's International Division through the IDC's European office.

Keebler

leases Urbandale facility

Keebler Company of Elmhurst, Illinois, will lease a $1.3 million distribution center that is currently under construction in Urbandale. The 33,500-square-foot facility will serve Keebler customers in Iowa and other Midwestern states.

Construction of the facility is scheduled to be completed during the first half of 1985. Keebler has already begun operations at a temporary location nearby the permanent site.

The facility will mean an additional 10 to 15 jobs in Urbandale.

Capital Resources Corporation

reopens Marshalltown meatpacker

Capital Resources Corporation of Des Moines purchased and reopened Marshall Pack, Inc., the Marshalltown meatpacker that closed in April 1982. According to Paul Thielking, O.D., president of Capital Resources Corporation, "We have the highest hopes for this plant, and consider our decision to reopen the plant in Marshalltown a commitment to the state of Iowa and the community."

Marshall Pack reopened last August with 50 employees. However, according to Vice President and previous owner Dean Garland, "We hope to at least double the workforce in the near future."

Capital Resources owns several Iowa companies, including a life and casualty insurance company and a marketing company.

CS
COLE SEWELL
CORPORATION

opens Clear Lake plant

Cole Sewell Corporation, based in St. Paul, Minnesota, has opened a Clear Lake facility to produce the company's latest product, a premium storm door known as the Estate Series. The Clear Lake branch represents the company's first venture outside the St. Paul area in nearly 50 years.

A well-established producer of dryer vents and fiberglass doors, the new Estate Series is produced in 24 styles and sizes. According to Cole Sewell President Fred Sewell, "We expect it (the Estate Series) to be a substantial part of our business. But until productivity is really in full swing, it's hard to give numbers and talk about expanding." Sewell added that he hopes to produce all of the company's door models in Clear Lake within six months. Currently, the new plant employs 31 workers.

Sewell credited his company's first satellite division in Clear Lake to the hard work of many of the city's representatives. "The whole business community really impressed us," Sewell said. "We had good feelings about Clear Lake immediately."

Best Western LONGBRANCH

constructs $1 million addition

The Longbranch Best Western Motor Inn in Marion is currently constructing a $1 million addition that will nearly double the Motor Inn portion of the restaurant-motel complex. The 30,000-square-foot addition will be connected to the existing building by an overhead skywalk. Among the addition's features will be a first-floor health club to be operated independently, as well as 42 new rooms. Approximately 30 employees will be added to the payroll as the addition is completed at the beginning of 1985.

N&A Mfg., Inc.
High Pressure Sprayers

expands market territory

N & A Manufacturing, Inc., a Mallard corporation that manufactures high pressure sprayers, is planning to expand its market territory into North Dakota, Wisconsin, Texas, Canada and are considering an outlet in Oklahoma. At this time, there are not any plans to expand its current staff, but the company has added a 45′ x 60′ warehouse for storage of raw and finished inventory.

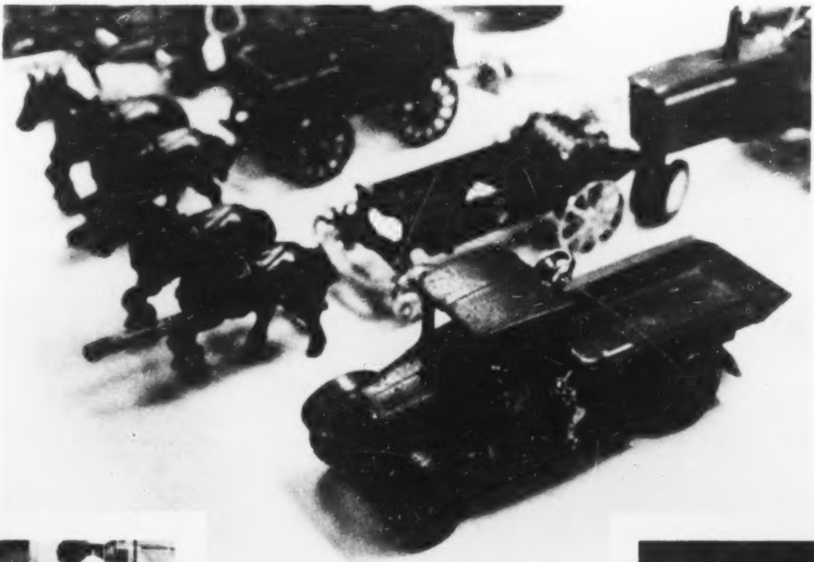
National Farm Toy Show — the largest toy tractor show in the world

The largest toy tractor show in the world is annually hosted by the people of Dyersville each November. The National Farm Toy Show — sponsored by *The Toy Tractor*, a collectors publication, and hosted by The Ertl Company, the largest producer of farm toys in the world — attracts collectors from all over the United States.

The first National Farm Toy Show, held seven years ago, consisted of about 35 exhibitors and attracted about 1,000 spectators. Today, the show has over 180 displays and attracts nearly 10,000 spectators.

With the tremendous influx of collectors that gather in Dyersville for approximately four days, the show plays an important part of the town's economy each year. Not only does Dyersville benefit, but also Dubuque and the other towns in the area receive economic benefits from the show.

According to Dave Bell, director of licensing for The Ertl Company, "Conservatively speaking, the dollars that are spent in Dyersville during the show at the hotels, gas stations, restaurants and supermarkets would be well in excess of $100,000."



The National Farm Toy Show is usually scheduled for the second weekend in November, running from Friday evening through Sunday afternoon. A small general admission fee is charged for adults. For information about the 1985 National Farm Toy Show, contact either Dan Meyer or Dave Bell at The Ertl Company, Highways 136 and 20, Dyersville 52040.

Iowa firms selected for SBIR grants

Three Iowa companies have been selected to receive federal research and development funds through the Small Business Innovation Research (SBIR) program.

The companies — Tone Brothers Inc. of Des Moines, J-Tec Associates Inc. of Cedar Rapids and Yoder Feeds of Kalona — are Iowa's first grant recipients under this program that was initiated in October 1982. According to Dave Swanson, director of the Center for Industrial Research and Service at Iowa State University, these grants are a "real breakthrough" since last year there were seven SBIR applications from Iowa, none of which were approved.

"Our goal this year," stated Ted Johnson, co-chairman of the Iowa High Technology Network, "was to receive five SBIR grants, and we're still working towards that goal."

Approximately 50 percent of all U.S. research and development is funded by the federal government. Under the Small Business Innovation Act, small businesses with less than 500 employees are eligible for Phase I awards of up to $50,000 to support six months of effort to demonstrate the scientific, technical and commercial merit of an innovation.

Firms successfully completing Phase I are then eligible for Phase II funding worth up to $500,000 to support two years of continued development for the project. Private sector funding is then required to support the project to commercial introduction.

The Phase I SBIR grants received by these Iowa firms are supporting feasibility studies in a variety of areas. Tone Brothers Inc. of Des Moines, in consultation with Iowa State University, will be exploring a new spice sterilization procedure that employs a non-chemical cleaning method. J-Tec Associates Inc. of Cedar Rapids, in consultation with the University of Iowa, is conducting a feasibility study of using air-speed sensing techniques to ease helicopter flight control. Working in conjunction with the Institute of Agriculture Medicine at the University of Iowa, Yoder Feeds of Kalona will be analyzing air control systems in hog farrowing houses to determine if any one particular system improves the air quality, thus decreasing any health hazards that might exist.

The SBIR program is supported by 12 federal agencies with substantial research and development budgets. Those agencies are required to set aside a certain percent of their R&D budgets for the program.

According to the Small Business Administration projections, $123.5 million will be awarded in the fiscal year 1984. By 1987, the SBIR funding pool will swell to $500 million.

The SBA publishes Pre-Solicitation Announcements of the grants in September, December, March and June annually. To be added to the SBIR mailing list, write: U.S. Small Business Administration, Office of Innovation, Research and Technology, 1441 L Street, Northwest, Room 500, Washington, D.C. 20416.

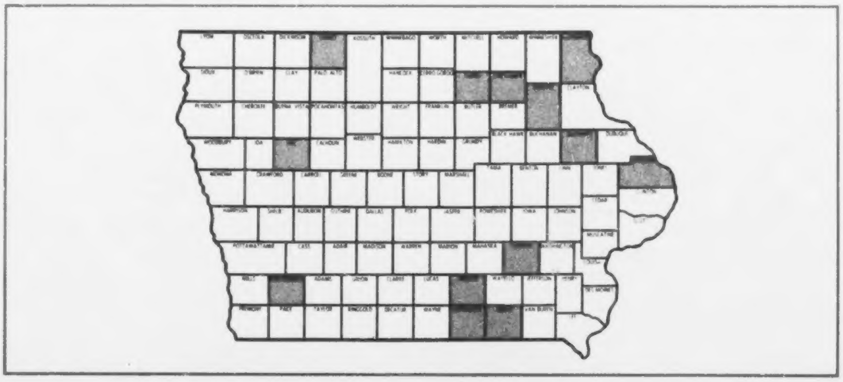
County surveys characterize workforce

Job Service, in cooperation with the Iowa Development Commission, the Office of Planning and Programming, and JTPA Private Industry Councils (PIC), is conducting surveys in several Iowa counties to provide a statistical profile of the county residents who want jobs and to inventory their work skills.

"This project is an important step in creating an economic development program for Emmet County," noted Davis Webb, Estherville Chamber of Commerce president and implement dealer. "It will determine the current and potential labor resources in the county and assist in evaluating the overall economic resources of the area."

The project, coordinated by Art Hedrick of the audit and analysis division of Job Service in Des Moines, includes a total of 14 counties around the state (see map below). Each household within these counties is surveyed by mail and most employers are personally interviewed by the Job Service survey team to obtain the statistical profile of the county's workforce. "The data compiled," states Hedrick, "includes statistics on prevailing wage scales, commuting patterns and the primary and secondary skills of the county's workforce. We, then, compile a statistical report that we hope the communities within these counties will include with their *Community Quick References* (a community fact sheet prepared by the IDC)."

At the time of publication, surveys have been completed in the following counties: Monroe, Appanoose, Emmet and Jackson. The surveys in each of the other counties will be compiled during the first six months of 1985.



Marion unveils new economic development plan

At the annual Marion Chamber of Commerce dinner held last October, Marion officials announced a plan to bring 750 jobs and $20 million in development to the city within the next five years.

Governor Terry Branstad, who attended the unveiling, applauded the city's public-private partnership in economic development. "This is exactly the kind of thing we want to encourage in the state."

"You're not unique. Others are doing it," he added, "but you're one of the first."

Marion's new economic development plan is the result of the city's realization that it needed a more aggressive approach. After conducting an economic development planning conference, representatives of the city, Chamber of Commerce and local businesses worked together for six months on a task force that produced the Marion plan.

Strategic plan for economic development

The plan sets as its mission to "organize and promote sound economic growth in Marion by assisting existing businesses, attracting new investments and jobs, and maintaining a favorable community climate for economic development."

One of the plan's key elements is a five percent hotel/motel tax that voters approved on Election Day. Half of the proceeds of the tax, about $15,000, will be used for economic development activities.

A planned fund raising drive, the "Marion Fund," would raise private funds to combine with the hotel/motel tax revenues to create an annual base of as much as $35,000. These funds will then be used as seed money for new businesses and expansions, as well as matching money for state and federal assistance programs.

Other funds for carrying out the development plan would come from a reorganized Marion Industrial Development Corporation, now called the Marion Development Corporation. Formed nearly 15 years ago, the group has between $50,000 and $60,000 to invest in the new effort.

In addition to creating 150 new jobs in two years and 750 jobs in five years, the plan has established the goal to increase the percentage of industrial real estate from 2.7 to 5.4 percent of Marion's tax base. It also aims to reduce vacant business buildings in Marion by 33 percent in two years and 65 percent in five years.

Strategies developed to accomplish these goals include:

- Have the development corporation, with the assistance of the Chamber of Commerce and the recently revived Central Business District Corporation, develop various contact teams and committees to tell prospective business developers abut opportunities and financial assistance programs in Marion.
- Identify and recruit businesses, specialty suppliers and services related to existing businesses.
- Expand the Urban Revitalization District to provide tax abatements and industrial revenue bonds for new development and expansion.
- Conduct interviews with existing industries and businesses at two-year intervals to determine needs and update them on economic development programs.

For more specific information about Marion's new economic plan, contact Dave Snow, executive vice president of the Marion Chamber of Commerce at 319/377-6316.

Dennis Fields (center right) and Edward Flattery (right) shared a $7,500 maximum award under the Maytag Employee Idea Plan. They suggested a modification to an automatic washer transmission pulley that has improved the quality of the part and reduced production costs. Sterling O. Swanger (left), manufacturing vice president, and President Daniel J. Krumm (center left) participated in a presentation honoring the two employees. In the first six months of 1984, Maytag employees have been paid $79,506 for 1,302 suggestions installed under the idea plan.

1984 Community Betterment Awards

For weeks prior to Community Betterment Recognition Day held October 27, teams of judges visited Iowa communities to evaluate their Community Betterment projects.

Nearly 800 volunteers from across Iowa gathered in Ames to learn more about how they can improve their communities. The 14th annual Recognition Day was filled with workshops and visits to community "pride" booths.

WOI-TV5 Award
- Schleswig

Governor's Newspaper Award
- Herald-Index Publishing Company/Eldora
- "Nonpariel"/Council Bluffs
- Bellevue Herald Leader
- Record-Herald/Indianola Tribune
- Press-Gazette/Lost Nation
- Harlan Tribune & News-Advertiser
- Schleswig Leader
- The Manilla Times
- Dows Advocate
- The Messenger/Fort Dodge
- Lamoni Chronicle
- Mt. Vernon-Lisbon Sun
- Ocheyedan Press News
- De Witt Observer

Good Neighbor Award
- Kirkman Betterment Club
- Herman Wrice of Atlantic
- Dows Community Betterment Committee
- John Ryan of Monona
- Marian Paasch & Don Fuller of Low Moor

Iowa Arts Council Awards
- **$300 Awards**
  - Boone/Scenic Valley Preservation & Restoration
  - Council Bluffs/Renaissance Fair
- **$200 Awards**
  - Hampton/development of East Park
  - Harlan/formation of Act I Community Theater group
  - Riceville/Summer Theater
  - St. Donatus/Luxemborg Awareness Days
- **$100 Awards**
  - Belmond/Jenison-Meacham Art Center & Museum
  - Creston/restoration of mini-park mural
  - Decorah/using Decorah's cultural past
  - Griswold/mural project
  - Iowa Falls/art in the park
  - Lost Nation/Fine Arts Association
  - Pleasant Plain/log cabin preservation
  - Primghar/Community Playhouse Children's Theater
  - Radcliffe/mural project
  - Sioux Center/Recreation & Arts Council programming

Pioneer Hi-Bred International, Inc. Awards
($250 awarded each)
- Welton Youth Program (Category I)
- Blencoe (Category II)
- Lost Nation (Category III)
- Bayard (Category III)
- Wheatland (Category IV)
- Monona (Category V)
- Hampton (Category VI)
- Atlantic (Category VII)
- Boone (Category VIII)
- Mid-City Neighborhood/Sioux City (Neighborhoods)

Community Booth Displays Awards ($50 each)
- **Overall Community Promotion**
  - Clinton County (First Place)
  - Dows (Second Place)
- **Most Imaginative/Unique**
  - Carson (First Place)
  - Monona (Second Place)
- **Celebration/Tourism Promotion**
  - St. Donatus (First Place)
- **ICB Project Promotion**
  - Corydon (First Place)
  - Council Bluffs Youth Program (Second Place)
- **Economic Development Promotion**
  - Marengo (First Place)
  - Eddyville (Second Place)

Outstanding Achievement Awards

(Awards were given in each of the following population categories — I: under 210; II: 211-400; III: 401-706; IV: 707-1,020; V: 1,021-1,900; VI: 1,901-4,999; VII: 5,000-8,429; VIII: 8,430-10,000)

First Place Winners ($500 each)

Fiscus (Category I)
Blencoe (Category II)
Titonka (Category III)
Wheatland (Category IV)
Gowrie (Category V)
Belmond (Category VI)
Vinton (Category VII)
Boone (Category VIII)

Second Place Winners ($400 each)

Carpenter (Category I)
Silver City (Category II)
Lost Nation (Category III)
Hubbard (Category IV)
Monona (Category V)
Bellevue (Category VI)
Sheldon (Category VII)
Fort Dodge (Category VIII)

Third Place Winners ($300 each)

Green Island (Category I)
Harris (Category II)
Peterson (Category III)
Goldfield (Category IV)
Griswold (Category V)
Hampton (Category VI)
Decorah (Category VII)
Indianola (Category VIII)

Fourth Place Winners ($200 each)

Tingley (Category I)
Hanlontown (Category II)
Radcliffe (Category III)
Dows (Category IV)
Ackley (Category V)
Clarion (Category VI)
Creston (Category VII)
Marion (Category VIII)

Fifth Place Winners ($100 each)

Arispe (Category I)
Blockton (Category II)
Grand Mound (Category III)
Riceville (Category IV)
Primghar (Category V)
Albia (Category VI)
Maquoketa (Category VII)
Council Bluffs (Category VIII)

Honorable Mentions ($50 each)

Andover (Category I)
Kirkman (Category I)
Andrew (Category II)
Low Moor (Category II)
Delmar (Category III)
Bayard (Category III)
Lewis (Category III)
Carson (Category IV)
Sabula (Category IV)
Eddyville (Category V)
Manilla (Category V)
Eldora (Category VI)
Lamoni (Category VI)
Iowa Falls (Category VII)
Atlantic (Category VII)
Ankeny (Category VIII)

Neighborhood Outstanding Achievement Awards (Population over 10,000)

Mid-City Neighborhood/Sioux City (First Place; $500)
Acts 29 Neighborhood/Council Bluffs (Second Place; $400)
Hillcrest Neighborhood/Fort Dodge (Third Place; $300)
Ankeny Neighborhood (Fourth Place; $200)
Riverside Neighborhood/Fort Dodge (Fifth Place; $100)
Cedar Falls Neighborhood (Honorable Mention; $50)

Youth Involvement Awards

(Awards given in the same population categories as Outstanding Achievement Awards.)

First Place Winners ($400 each)

Welton (Category I)
Moulton (Category III)
Epworth (Category V)
Hampton (Category VI)
Council Bluffs/DeForest Sch. (Cat. VIII)

Second Place Winners ($250 each)

Springbrook (Category I)
Murray (Category III)
Eddyville (Category V)
Pleasant Hill (Category VI)
Council Bluffs/City Slickers (Cat. VIII)

Third Place Winners ($100 each)

Low Moor (Category I)
Hubbard (Category III)
Lamoni (Category VI)
Boone (Category VIII)

George Wylie (above), anchor-TV news for WOI-TV in Ames, served as the master of ceremonies as Governor Terry Branstad presented plaques and checks to community representatives during the Awards Banquet. An Ambassador Award was presented to Bill Riley (below) for years of betterment work giving young Iowans an opportunity through his Talent Search. Riley, a commissioner of the IDC, is vice president of Heritage Communications, Inc.

The Welch Junior High School Swing Choir from Ames was one of several groups that performed during the Awards Banquet.

A taste of IOWA™ USA travels to the Far East

Thousands of food buyers from all over the Far East will visit Tokyo, Japan, to attend FOODEX, the largest trade fair for processed foods in the Pacific Rim.

Scheduled for March 11-15, 1985 (one week prior to the Iowa Trade Fair), this trade show, which attracted over 90,000 buyers last year, will provide an excellent opportunity to expand awareness of Iowa food products and strengthen Iowa's position as a reliable supplier of processed foods in the Pacific Rim region.

Once again, the "Taste of Iowa-USA" booth, sponsored by the Iowa Development Commission, will serve as the representative for Iowa food processing companies interested in participating in FOODEX. Companies can participate by sending a representative to the show and/or participating in the show catalog.

Those firms sending representatives to the show will be provided with booth space. In addition, the IDC will assist companies with training representatives on pre-show, during the show and post-show follow-up mechanics; label clearance; product and display shipment; and assistance with pre-show contacts and appointments for interested firms.

Firms interested in participating in only the catalog will be asked to furnish company literature and items for display. The IDC will be responsible for designing the show booth and catalog, as well as shipping company literature and display items to FOODEX. With the assistance of the IDC's Asian office, the IDC will staff the booth; secure trade leads for participating Iowa firms; and distribute these leads to the appropriate firms after the show.

For more detailed information about participating in FOODEX, contact the International Section of the Iowa Development Commission at 515/281-8515.

Iowa Trade Fair

During his recent Far East Trade Mission, Governor Terry Branstad met with the president of Ogino Corporation, a leading department store and supermarket chain in Yamanashi Prefecture in Japan, and three Iowa cultural exchange students employed by Ogino. The results of this meeting — an Iowa Trade Fair scheduled for March 21-24, 1985, in Kofu, Japan.

The trade fair, hosted by the Ogino Corporation, is designed to showcase Iowa products and encourage exports. It provides Iowa companies an excellent opportunity to tap into the Japanese market. Kofu is considered an excellent test market because of its central location, its nearness to two major cities and its population.

The Yamanashi Prefecture is a Japanese sister state to Iowa, and Kofu is a sister city of Des Moines. The Governor of Yamanashi, the Mayor of Kofu, the Kofu Chamber of Commerce and the Japanese External Trade Organization (JETRO) have endorsed the trade fair.

For more information about the Iowa Trade Fair, contact the International Section of the Iowa Development Commission at 515/281-8515.

International Trade Exhibitions

Asean Food Technology & Equipment Exhibition — Philippine International Convention Center, Manilla, February 18-23, 1985 — Held in conjunction with the Asean Food Conference, the U.S. Pavillion will group together all American suppliers of agricultural machinery, chemicals, fertilizers, consultancy services; harvesting equipment, transportation, storage systems, food processing machinery; packaging machinery, packaging materials, products and services in relation to food composition and nutrition; food products; food additives; food flavors; and institutional and commercial supplies and equipment.

USA Products Expo Taiwan '85 — China External Trade Organization's Exhibition Complex 2, February 23-27, 1985 — An exhibition of American products, the first of its kind in East Asia.

Airmec 85 — Dusseldorf Fairgrounds, Dusseldorf, February 26-March 1, 1985 — The fourth International Trade Show for Fixed-Wing and Rotary-Wing Aircraft Maintenance and Overhaul provides on-the-spot observation of the international aviation service market.

Light Agricultural Machinery Trade Fair — Beijing, People's Republic of China, March 12-19, 1985 — International exposition of agro-technologies.

Hong Kong PBC Show 85/Infortech 85 — Hong Kong Exhibition Centre, March 27-30, 1985 — This personal business computer show includes computer hardware, software and information technology.

View Australia '85 — Royal Exhibition Building, Melbourne, April 6-14, 1985 — The program will include a major international exhibition for alcoholic beverage products; an exhibition for technical equipment and machinery; and will have a series of trade seminars and conferences.

For more information about these trade exhibitions or any others, call 515/281-8515.

Iowa Ag & Business Indicators

Compiled by the Iowa Development Commission

Labor Demand and Supply[1] September, 1984

Service Areas	Individual Placements	New Applicants & Renewals	Service Areas	Individual Placements	New Applicants & Renewals
Ames	417	744	Iowa City	860	1,562
Atlantic	191	422	Keokuk	192	401
Burlington	588	1,199	Marshalltown	374	776
Carroll	941	512	Mason City	1,068	1,565
Cedar Rapids	1,733	2,951	Muscatine	67	445
Centerville	162	201	Newton	168	786
Charles City	44	59	Oskaloosa	255	282
Clinton	168	884	Ottumwa	936	1,323
Council Bluffs	NA	NA	Sheldon	85	207
Creston	71	372	Shenandoah	109	476
Davenport	1,158	2,604	Sioux City	629	1,580
Decorah	108	243	Spencer	329	593
Des Moines	1,626	3,391	Storm Lake	122	348
Dubuque	402	1,393	Waterloo	943	1,772
Fairfield	187	409	Webster City	270	230
Fort Dodge	641	992			
Fort Madison	134	334	**Statewide**	**15,655**	**28,943**

[1] All new applicants and job openings listed with Iowa Department of Job Service

U.S. Consumer Price Index

	Aug. 1984	Aug. 1983
All Urban Consumers (1967 = 100)	313.0	300.3

U.S. Composite Construction Cost Index

	June 1984	June 1983
U.S. Composite Construction Cost Index (1977 = 100)	158.6	154.5

Business Data

	8/84	8/83	8 mos./84	8 mos./83
New Car Registrations	5,740	7,421	59,488	60,884
Iowa Savings & Loan ($000,000)				
Total Loans Closed	57.6	72.9	461.4	327.6
Savings	30.6	6.4	204.6	593.9
Work Force (000)	1,361.0	1,371.7	1,181.8	1,363.1
Unemployment	56.7	78.0	70.4	92.6
Rate (% of work force)	4.2	5.7	5.2	6.8
Employment	1,361.0	1,293.7	1,286.6	1,270.5

Value of New Dwellings[1] ($000)

	9/84	9/83	9 mos./84	9 mos./83
Ames	$ 375.0	$ 1,956.0	$ 4,857.5	$ 5,216.0
Bettendorf	984.1	928.5	7,201.3	6,468.1
Burlington	0	140.0	993.0	1,124.7
Cedar Falls	0	232.9	1,407.5	1,334.4
Cedar Rapids	1,078.3	255.3	3,879.8	1,374.4
Clinton	0	215.0	345.0	1,069.5
Council Bluffs	432.5	333.3	5,793.0	2,256.8
Davenport	540.4	1,129.9	7,538.6	6,447.3
Des Moines	665.5	4,301.6	23,603.5	8,008.4
Dubuque	135.6	0	1,673.5	970.3
Fort Dodge	315.0	106.0	4,752.5	970.3
Iowa City	349.3	1,367.5	14,605.7	25,515.3
Keokuk	29.0	49.0	575.0	295.0
Marion	249.6	104.9	1,191.9	718.1
Marshalltown	0	0	468.0	1,185.0
Mason City	330.0	273.0	3,973.8	2,408.1
Muscatine	129.0	687.8	1,119.0	5,553.4
Newton	100.0	0	335.8	240.0
Ottumwa	184.0	75.0	470.6	520.0
Sioux City	267.7	189.4	1,852.6	1,588.4
Urbandale	774.0	1,193.2	13,289.0	5,436.9
Waterloo	175.0	123.5	1,190.8	2,135.6
W. Des Moines	5,037.2	1,719.3	22,429.7	12,019.5
Total	**$ 12,151.2**	**$ 15,381.1**	**$ 123,547.1**	**$ 92,855.5**

[1] Single, two-family and multiple residential dwellings, based on housing permits issued.

Farm Retail Price Spreads

	Aug. 1984	Aug. 1983
Beef, Choice:		
Retail price (cts./lb.)	237.1	238.6
Net carcass value (cts.)	144.0	140.4
Net farm value (cts.)	137.0	130.5
Farm-retail spread (cts.)	100.1	108.1
Pork:		
Retail price (cts./lb.)	166.1	165.7
Wholesale Value (cts.)	115.9	109.1
Net farm value (cts.)	82.6	78.4
Farm-retail spread (cts.)	83.5	87.3
Dairy Products:		
Retail cost (1967 = 100)	252.7	250.2
Farm value (1967 = 100)	254.5	262.0
Farm-retail spread (1967 = 100)	251.1	239.9
Eggs:		
Retail cost (1967 = 100)	179.3	183.7
Farm value (1967 = 100)	184.4	207.0
Farm-retail spread (1967 = 100)	171.9	150.1

Personal Income Quarterly Periods

	1984 I	1983 I
Personal Income ($000,000)	36,566	30,722

Stock Index

	Iowa*	Dow Jones Industrial
July, 1984	190.52	1,115.28
August, 1984	210.76	1,224.38
September, 1984	214.98	1,206.71

*Robert C. Westlund, Piper, Jaffray & Hopwood, Inc. (1967 = 100)

Average Price Received by Farmers

	9/84	8/84	9/83
Corn, bu.	$ 2.95	$ 3.05	$ 3.21
Soybeans, bu	6.06	6.43	8.19
Oats, bu.	1.73	1.90	1.81
Hogs, cwt.	46.30	50.30	43.80
Beef cattle, cwt	52.70	54.30	54.10
Calves	58.80	57.70	53.10
Milk (whls), cwt	12.90	12.60	13.10
Sheep, cwt.	14.70	16.10	14.40
Lambs, cwt.	64.00	61.90	48.60
Eggs (market), doz.	.43	.42	.50
All hay, ton baled	55.00	57.00	68.00
Turkeys, lb.	.46	.44	.41

Average Price Paid by Farmers

	9/15/84	9/15/83
Beef cattle concentrated, 32-36%	$ 12.20	$ 14.30
Hog feed, 38-42% protein	13.20	17.00
Soybean meal, 44% protein	10.50	15.50
Dairy feed, 16% protein	183.00	210.00
Poultry feed, layer ration	199.00	200.00

Commodity Feed Price Ratios

	9/15/84	9/15/83
Hog — corn[1]	15.7	13.6
Beef cattle — corn[1]	17.9	16.9
Egg — feed[2]	4.9	5.3
Milk — feed[3]	1.41	1.25

[1] Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.
[2] Pounds of laying feed equal in value to 12 eggs.
[3] Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Logo designates quality

A taste of
IOWA™

Capitalizing on Iowa's reputation as a producer of fine quality food products, the Iowa Development Commission has been granting permission to food processing and production companies to incorporate the "Taste of Iowa" logo on product packaging. To date, nearly 45 Iowa food processing and production companies have sought and received permission to use the logo.

The logo program is part of the commission's efforts to achieve a high profile for the state in both national and international markets, said Jack Bailey, director of the IDC.

"Anything you can do to separate yourself from the crowd in the eyes of the consumer is worthwhile," he said.

"As Iowa manufacturers become more aggressive in seeking international trade opportunities, the logo identification program will increase in significance," Bailey added.

Companies that make or process a food product in Iowa are eligible to use the logo. Interested firms should request an application from the IDC. The commission will verify the company's eligibility and return a copy of the approved application, along with a reproduction sheet of the "Taste of Iowa" logo.

Within the past year, some of the companies who have applied to use the logo include:

- Anderson-Erickson Dairy of Des Moines
- Consolidated Popcorn of Schaller
- Dubuque Packing Company
- Palmer Food Corporation of Des Moines
- Carriage House Meat & Provision Company, Inc. of Ames
- Carfray Meat Company of Cedar Rapids
- Triple K Manufacturing Company of Shenandoah
- Winterset Apple Orchard

Applications for the "Taste of Iowa" logo can be obtained by contacting the Food Production and Processing Section, Iowa Development Commission, 515/281-8328.

IPD focuses on Iowa's future

Legislative proposals for enhancing Iowa's economic development were very much on the minds of panelists and attendees at the annual meeting of the Iowa Professional Developers held October 24-26 in Boone.

"Economic development is something that must happen for this state to have any future at all," said Senator Bill Hutchins of Audubon.

Noting the many studies of economic development and Iowa's business climate that are underway, Farnsley Peters, president of the Iowa Association of Business and Industry, said "the more ideas we get, the more likely we are to get changes in this state."

Iowa slipped this year in the business climate comparisons with other states. "We need to get Iowa up much higher in these surveys," said Senator Calvin Hultman of Red Oak. "We need partisan agreement in the legislature to stabilize the tax structure and to avoid wide swings in tax philosophy."

All of the studies are aimed at assisting in the long range marketing of the state for economic development. "The plan has to be put together by someone with credibility, and the only person I can think of who could do that is Jack Bailey," said Representative Ned Chiodo of Des Moines.

Bailey, the director of the Iowa Development Commission, introduced strategic planning to the IDC and is working with commission members on new initiatives for legislative consideration to assist in the creation of jobs.

Representative Del Stromer of Garner said the legislature needs to make Iowa more competitive with other states by making changes in the taxes that industry considers important in their plant expansion decisions.

Available Buildings

This is not a complete list of all buildings available in Iowa. For further information, please call 515-281-3251.

SQUARE FOOTAGE	COMMUNITY	FORMER USE
10,000	Charles City	Spec Building
11,750	Iowa City	Industrial
12,000	Sioux City	Spec Building
12,500	Cherokee	Spec Building
14,163	Charles City	Industrial
14,794	Adel	Industrial
15,200	Brooklyn	Manufacturing
17,544	Audubon	Commercial
20,000	Clinton	Spec Building
20,000	Maquoketa	Spec Building
21,000	Corning	Spec Building
21,205	Oskaloosa	Spec Building
21,379	Waterloo	Commercial
22,000	Mason City	Heavy Industrial
22,500	Red Oak	Spec Building
23,000	Waverly	Spec Building
26,850	Algona	Light Manufacturing
27,660	Pella	Light Industrial
30,000	Marshalltown	Spec Building
32,580	Sioux City	Light Manufacturing
33,500	Des Moines	Industrial
35,340	DeWitt	Manufacturing
40,000	Creston	Spec Building
42,300	Jefferson	Light Industrial
47,596	Boone	Heavy Industrial
49,500	Audubon	Industrial
54,080	Oskaloosa	Industrial
59,512	Denison	Manufacturing
63,408	Bondurant	Industrial
70,766	Forest City	Manufacturing
72,000	Davenport	Light Industrial
85,000	Burlington	Heavy Manufacturing
108,000	Waterloo	Heavy Industrial
108,694	Cedar Rapids	Light Industrial
121,500	Sioux City	Heavy industrial
130,227	Urbandale	Manufacturing
159,339	Mason City	Manufacturing
169,000	Red Oak	Manufacturing
194,400	Centerville	Heavy Industrial
248,530	Waterloo	Manufacturing

Iowa®
DEVELOPMENT
COMMISSION

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Resources 281-5916
Doug Getter, Research &
Development.....................281-3036
Phil Thomas, Communications......281-3185
Linda King Kading, Government &
Internal Affairs..................281-3635
Max Milo Mills,
Small Business 281-8324

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Des Moines, Iowa 50309

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Our Christmas Store

"Christmas won't be Christmas without any presents."
Louisa May Alcott, *Little Women* [1868], Chapter I

In the town of Hampton, this sentiment has fostered into a unique concept that coordinates all of the "giving" that takes place during the Holiday Season by both individuals and organizations — "Our Christmas Store."

During the last two weeks of November, volunteer workers from low income or needy households have transformed a store front in downtown Hampton to a department store that is fully stocked and decorated just like any other department store in December. But this "Christmas Store" has a unique clientele. The only people allowed to "purchase" the gift items and foods on display are those workers who have volunteered their hours in setting up the store.

The concept of "Our Christmas Store" was first proposed to the Hampton Community Betterment Committee last February. It was adopted by the committee since there are so many people in the Hampton area that are in need due to economic conditions.

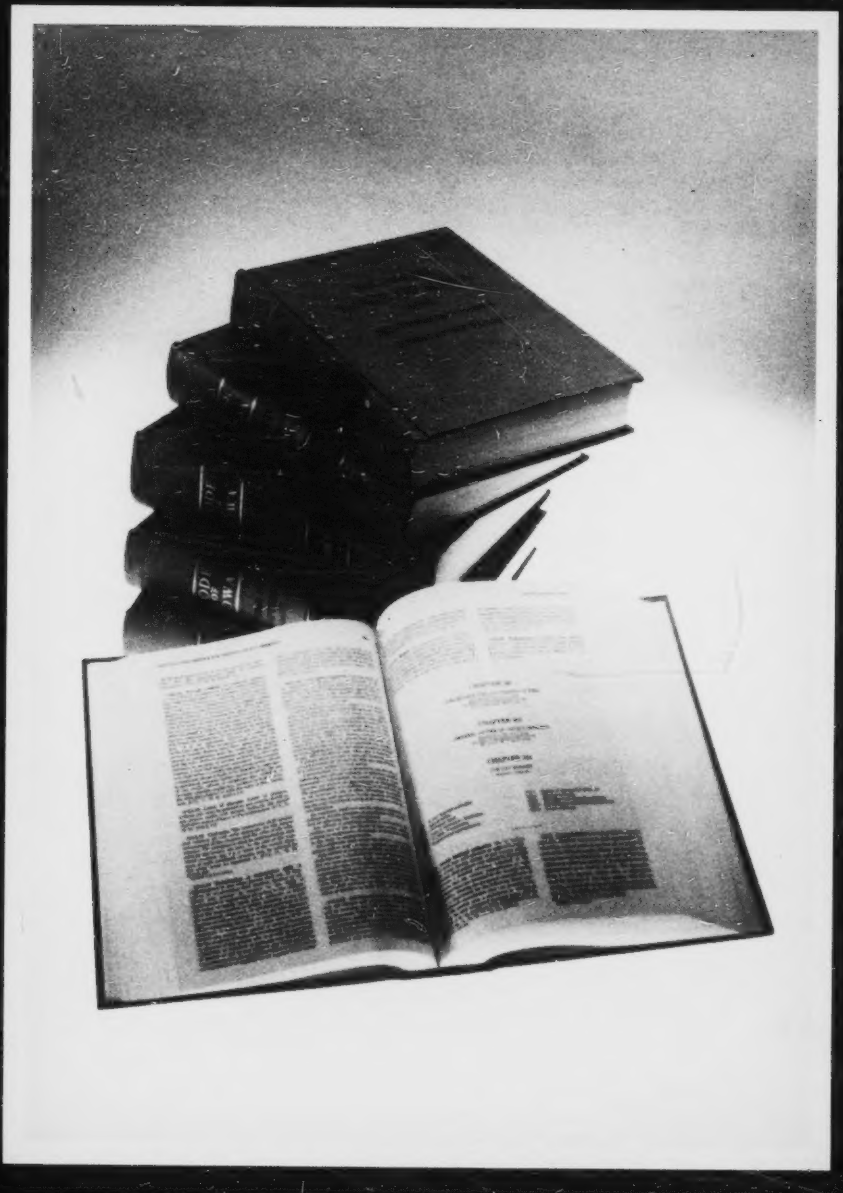
"We felt that this idea provided people in need an opportunity to earn a joyful Christmas without sacrificing their dignity and self-respect," states Bob Davies, executive director of the Hampton Area Chamber of Commerce.

With the assistance and donations of Hampton area groups, families and organizations, approximately 500 families in the area will have earned the pleasure of doing their Christmas shopping at the "Our Christmas Store" in Hampton.

"Happy Christmas to all, and to all a good-night!"
Clement Clarke Moore, *A Visit from St. Nicholas* [December 1823]

1/17/85 S2780-2 A

Digest



Legislative Update

WINNEBAGO

expanding Hampton plant

Winnebago Industries Inc. announced plans to double the amount of space it leases in Hampton. Currently, Winnebago's Hampton plant, which manufactures external fiberglass parts for the company's motor homes, is 70,000-square-feet and employs 145 people on three shifts. The additional space should be ready in mid-1985.

DIOSYNTH INC.

purchases Sioux City building

Diosynth Inc., a Dutch firm involved in the production of active ingredients for the pharmaceutical industry, announced the purchase of a 22,000-square-foot existing building. Start-up employment will be 15. Involved in biochemical products, Diosynth chose Sioux City because of the numerous slaughterhouses, a prime source of raw materials. This is Diosynth's second U.S. facility.

KOEHRING CRANES & EXCAVATORS
AMCA INTERNATIONAL

consolidates manufacturing operations at Waverly plant

AMCA International Corp. is consolidating all of its Koehring Crane and Excavator manufacturing operations at its Waverly plant. The company will be phasing out manufacturing at its Milwaukee plant over the next six months.

The Waverly plant currently employs 440 persons, and according to Gary Noel, director of industrial relations for Koehring, there are "no specific plans" to add any employees.

Hormel

expands Algona operation

Construction of a 36,000-square-foot addition to the Geo. A. Hormel plant in Algona will increase the total building size by 31 percent, or to more than 151,000-square-feet. The expansion at the company's dry-sausage plant will also include "state-of-the-art" equipment and technology.

The company plans a two-shift operation once the expansion is complete. This is expected to expand the current workforce of 140 employees, but officials did not say how many jobs would be added.

Construction of the addition is currently underway and is expected to be completed by June 1985.

CDS Communications Data Services, Inc.

has chosen Harlan for new plant

Communication Data Services (CDS) has announced plans to build a new facility in Iowa and moving their Bergenfield, New Jersey, operations to the new facility. CDS, who already has a Harlan facility, plans to hire an additional 150 full-time employees, with an additional 150 employees hired during peak periods.

The new 41,250-square-foot facility will be in operation by June 1985.

EPI
MOLDING SPECIALISTS

begins operations in Eldora

A new plastics manufacturer, Eldora Plastics, has begun operations, picking up the business formerly run by the Farmer Bros. Company and acquiring the Lage Uniwad manufacturing business. The purchase included three injection molding machines used to manufacture plastic shotgun wads.

Construction of a new 4,000-square-foot production-warehouse building is underway in the Eldora Industrial Park, with occupation expected by Feburary 1985. After the move, four to six full-time people are expected to be added to the current staff.

HOOF
HOOF PRODUCTS CO.

opening new plant in Maquoketa

Hoof Products Co. of Chicago, an automotive pump manufacturer, will move into the former Kirsch Window Products plant in Maquoketa and is expected to bring as many as 100 new jobs to the city within the year.

The Maquoketa City Council approved the issuance of $7.5 million in industrial revenue bonds to pay for the new manufacturing equipment the plant will use, as well as moving and start-up costs.

Hoof Industries has 18 warehouses nationwide. However, Maquoketa will be Hoof's second manufacturing plant.

Daniel Radiator Corporation
A Handy & Harman Company

relocates in Maquoketa

The Daniel Radiator Corporation of Houston has announced plans to relocate a plant from Chicago to the former General Thermo building in Maquoketa's Timber City Industrial Development Park. The company, which manufactures radiator parts for heavy equipment, is scheduled to begin production early in 1985 with a workforce of about 50 persons.

Campbell SOUP Company

* * * * CAMDEN, NEW JERSEY 08101-0391 * * * *

building mushroom farm in Osceola

Campbell Soup Company announced that its Camsco Produce Company subsidiary will build a large mushroom farm in Osceola, employing around 200 people and producing about 13 million pounds of Campbell's "Farm Fresh Mushrooms" annually. According to Robert E. Miller, general manager of Camsco, the facility will add between $8-9 million annually to the local economy, through payroll and purchases of goods and services.

"I am pleased that one of our nation's major food producers and processors has selected our state for this new plant using the latest technology in providing another taste of Iowa to the people of mid-America," said Governor Terry Branstad.

Miller, who has been working with the IDC in searching for a location, chose Osceola as the site of the new plant because of "its accessibility, thanks to the Interstate Highway System, to the important heartland cities of America, such as Denver, Kansas City, Omaha, Minneapolis, St. Louis, the Quad Cities and Chicago. We'll be able to better serve retail customers in these vigorous markets."

"Another major reason was the community itself," said Miller. Clarke County is the kind of agricultural community we like to operate in. it's in an area of modern agricultural development and we feel our state-of-the-art approach to mushroom growing will fit right in."

The 400,000-square-foot facility will be erected on a 200-acre tract on Iowa 34, near Interstate 35.

Iowa workers increase productivity

High worker productivity is near the top of the list of major factors affecting the choice of new manufacturing locations and when Iowa workers are compared to the national average, manufacturing is getting more than a day's work for a day's pay . . . a lot more!

The productivity figures published in the "1984 Report on The States" of *INC.* magazine shows Iowa workers are 33% more efficient than the national average. In terms of a day's pay, they give one and a third day's work.

U.S. workers average $42,260 in value added per year, according to the *INC.* survey, while Iowa workers rack up $55,900 per year in exceptional productivity.

Iowa worker productivity was also up in the 1984 survey. The previous survey in 1983 reported value added per year for Iowa workers at $47,200.

GENERAL ELECTRIC

adds employees to Burlington

General Electric Company will move its low voltage switchgear production to Burlington next year. The consolidation of low voltage production with the medium voltage manufacturing already done in Burlington could "potentially have a positive impact on jobs in Burlington," stated Plant Manager Roger Greene. However, he declined to speculate on the numbers.

The company's restructuring and consolidation program is designed to improve the productivity and efficiency of its construction equipment businesses in the face of sluggish growth and increased competition in the global market.

The company is nearing completion of a $5 million addition to the plant which next year will be tooled up to make vacuum interrupters, the "heart" of the firm's Power/Vac switchgear.

Outlook for better jobs

Another bright spot in the Iowa economy is the number of Iowans expected to be employed in skilled labor positions next year, which are generally better paying jobs. Analysts for Job Service of Iowa are projecting employment of 112,124 persons in the skilled labor force in 1985. That compares with a skilled labor force of 105,569 for 1983. Neither figure includes self-employed skilled laborers.

Tax information

reprinted from *Tax News*, Vol. X, NO. 11-84, Iowa Department of Revenue

Election to include investment in computing business activity ratio

For tax year beginning on or after January 1, 1984, Department rule 730-54.2(2) requires corporations to make a written election whether they wish to include or exclude all investment income except capital gains and the receipts therefrom in the computation of the business activity ratio. The election is binding on all future tax years unless the Director of Revenue grants permission to change the election. If the taxpayer fails to make a written election, the fact that investment income was or was not included in the computation of the business activity ratio is deemed to be the taxpayer's election for all future tax years.

Whether or not investment income which is deemed to be business income is included in the computation of the business activity ratio does not determine whether the investment income is allocable or apportionable.

Generally, if investment income is included in the computation of the business activity ratio, income from intangibles is included in the numerator if the taxpayer's commercial domicile is in Iowa. Interest from accounts receivable is included in the numerator to the extent the taxpayers receives accounts receivable interest from customers within Iowa. Rental and royalty income from property is included in the numerator if the property is located in Iowa or if the taxpayer's commercial domicile is in Iowa and the taxpayer is not taxable in the state where the property is located. All other miscellaneous income is included in the computation of the business activity ratio to the extent it does not constitute a recapture of expense.

Income tax credit for nontaxable motor vehicle fuel

Persons or corporations holding a fuel tax refund permit, who wish to convert to the income tax credit method to receive reimbursement of fuel tax paid on nontaxable fuel must cancel their refund permit within 30 days after the first day of the tax year. For example, a calendar year filer wanting to claim an income tax credit for nontaxable fuel on their 1985 income tax return must have submitted a written request to cancel their motor vehicle fuel refund permit by January 31, 1985. The Department will not allow a claim for income tax credit for nontaxable motor vehicle fuel on the 1984 income tax return if the refund permit was not cancelled within 30 days after the first day of the 1984 tax year.

Additional deduction of wages paid to certain persons

An additional deduction of 50 percent of first-year wages paid by a small business to new employees who are handicapped or convicted felons is new for 1984. To qualify for this deduction, which is in addition to the deduction already allowed on Schedule C for wages paid, a small business must: 1) have had no more than 20 full-time equivalent positions in the 26-week period prior to hiring the qualified new employee; 2) cannot have gross income in excess of $3 million; and 3) the small business cannot be principally engaged in the practice of a profession.

To qualify, the employee must: 1) be handicapped or a convicted felon on parole, probation or work release program; 2) have been hired on or after January 1, 1984; and 3) cannot have been hired to replace an individual who was terminated within the prior 12 months unless such termination was either voluntary or due to misconduct.

Annual interest rate for 1985

Although the annual rate increased from nine percent (9%) to ten percent (10%), the per month rate to be used to calculate interest remains at .8 percent per month due to rounding requirements. This rate applies for all taxes owing or becoming payable during calendar year 1985.

Tax assistance offered

Once again the Department of Revenue will be teaming with the Internal Revenue Service to provide free tax assistance through the Volunteer Income Tax Assistance (VITA) and Tax Counseling for Elderly (TCE) programs. These services will be provided in a number of locations throughout Iowa.

Ordering 1984 tax forms

Income tax forms for 1984 are currently available. Forms may be ordered by telephone or mail. When determining quantitites to be ordered, remember that copies of the tax return and schedules are contained in the instruction booklets with returns, (forms 41-002 and 41-119). Copies of the long form instructions (41-003) contain no forms.

Telephone orders may be placed by calling the Department's recording system which operates 24 hours a day, seven days a week. Individuals outside of Des Moines should call 1/800/532-1531; those in Des Moines or outside Iowa can utilize this service by calling 1/515/281-6775.

Be prepared to provide the following information when ordering: 1) telephone number; 2) name or firm's name; 3) mailing address, include zip code; 4) identification number(s) and name(s) of form(s); and 5) quantity of each form requested.

Income tax forms may also be requested by mail by supplying the above information in writing to: Iowa Department of Revenue, Tax Forms Ordering Center, Hoover Building, Des Moines, Iowa 50319.

National Technology Transfer Center proposed for Iowa

Technology transfer between academia and private industry will be the focal point of Iowa State University's proposed Center for Nondestructive Evaluation. The center, which will be the only one of its kind in the nation, will be jointly sponsored by I.S.U., private industry, The Iowa High Technology Council and the National Science Foundation.

Nondestructive evaluation is of vital interest to industry because it provides the user with the capability of assessing the physical integrity of a material or structure from a set of quantitative measurements. From this, a prediction can be made for the remaining serviceability of the item in question. The direct benefit to industry is achieving productivity gains while maintaining product safety. For example, by putting NDE to work in routine jet engine maintenance, it is estimated that, for one type of jet engine alone, savings of $250 million could be realized in just 15 years.

Industry enthusiasm for the proposed center is so high that representatives from 22 states met to discuss the preliminary plans for the NDE Center on November 19 and 20.

Dr. D. O. Thompson, director of Applied NDE Programs at Iowa State University is spearheading the effort to establish the center. The center will compliment the existing research efforts in nondestructive evaluation in which both Iowa State University and the Ames Laboratory are active.

New technology works with Iowa coal

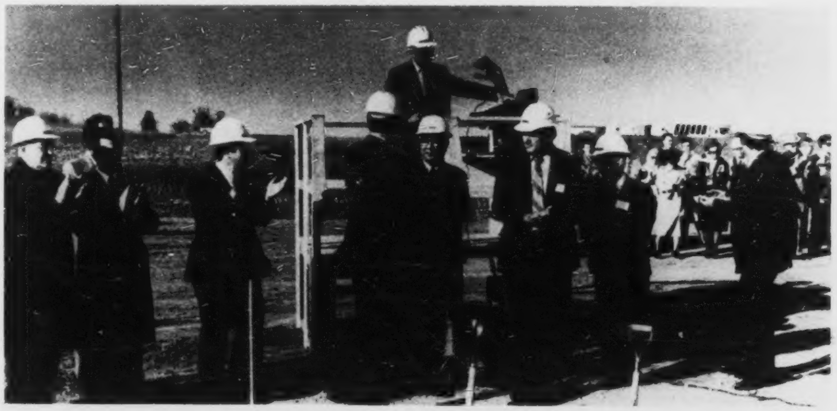
Last November, Governor Branstad released a report which showed that Iowa coal can work with new technology as a clean, efficient and economical energy source for Iowa industries and institutions. The report by the Iowa Energy Policy Council indicates that the $25 million Iowa coal industry could double by 1990 as fluidized bed combustion is adopted.

"This new technology burns high sulfur Iowa coal in a way that removes sulfur contaminants and meets air quality standards," Governor Branstad stated in making this announcement. "We finally have a cost efficient local energy source. The potential impact on our energy costs and jobs for the southern Iowa coal mining area is significant. The Energy Policy Council predicts over 200 new jobs by 1990."

In fluidized bed combustion, a bed of solid granular particles, such as sand or ash, rest on a perforated grate at the bottom of the combustor. Air is forced up through the grate at a velocity high enough to lift the particles into a churning, airborne, solid fuel, such as coal is fed into the combustor. Limestone may also be fed into the combustor. The emission of sulfur dioxide released inside the fluidized bed combustor during the burning of coal can be reduced substantially by the limestone. Sulfur dioxide reacts with the limestone being calcined in the combustor to form a dry, solid waste product which can be easily transported and disposed of in the depleted coal mine. The waste also can be used as an ingredient in concrete products.

The use of Iowa coal has traditionally raised concerns over preservation of valuable farm land. Recent strip mining projects use land reclamation techniques and in some cases improve the productivity of that land. New underground mining techniques are cost competitive with strip mining and reclamation.

Heartland Lysine breaks ground



Officials of Ajinomoto Co., Inc. of Japan and Orsan S.A. of France joined Governor Terry Branstad (left) at the ground-breaking ceremonies for the new $41 million lysine plant of Heartland Lysine, Inc. in Eddyville. Among the official party were (left to right) Paul Dupre, president of Orsan S.A.; Guy Dham, director of Eurolysine S.A.; Governor Branstad; Bertrad Collomb, chairman of Orsan S.A.; Katsuhiro Utada, president of Ajinomoto Co., Inc.; Sam Smith, project manager; Kenji Shigenobu, president of Heartland Lysine, Inc.; and Ronald Richards, mayor of Eddyville. Robert W. Larson, president of the Albia Industrial Development corp., shown here at the microphones, served as master of ceremonies.

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Legislative Update

At the December 6 meeting, the members of the Iowa Development Commission approved the following policy statements pertaining to the 1985 legislative session. These statements were the result of staff work and recommendations by the IDC's Legislative Committee. Some of the policies are being presented to the legislature for the first time this session, while others have been part of the IDC's legislative agenda in the past.

Legislative action on these proposals would aid the IDC's marketing efforts and provide a more inviting business climate. If you have any questions or comments, contact Linda King Kading, government and internal affairs manager of the IDC.

Eliminate machinery and equipment dual tax definition

Background — Currently, industrial and agricultural machinery and computers are defined as personal property at the time of purchase and are, therefore, subject to Iowa's 4 percent sales and use tax on the purchase price. When the equipment is installed or secured, this same equipment is defined as real property and is subject to property tax. Nine of the twelve states with which Iowa most directly competes (see map below) in the area of economic development have a sales tax exemption on manufacturing machinery and equipment, and two of these states exempt the equipment totally from property tax. In contrast, Iowa taxes the equipment at 30 percent of assessed value.

Policy statement — The IDC supports lowering the tax burden on manufacturing machinery and/or by reforming the sales and use tax laws that affect manufacturing machinery and/or by reforming the property tax laws on manufacturing machinery.

Personal property tax phase out

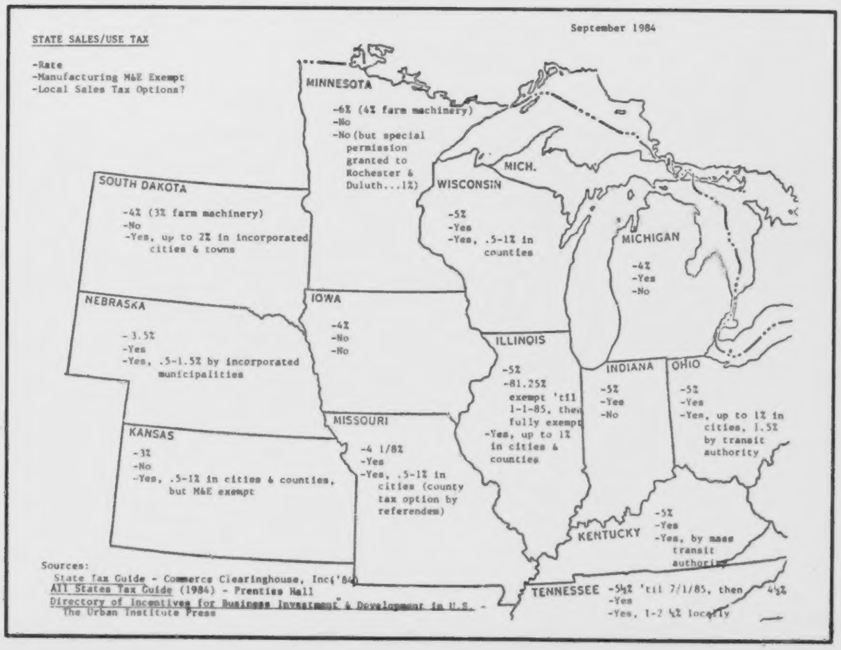
Background — In 1974, Iowa began a program to phase out the personal property tax over a ten year period. That law stated that each successive step would occur unless state revenue growth dropped to below 5.5 percent. However, the lower revenue growth and legislative action delaying the next step have resulted in only five of the ten steps being completed. This leaves a group of larger businesses still paying the tax and has accentuated inequities between taxing jurisdictions .

Policy statement — The IDC is concerned that past delays in phasing out the personal property tax has been detrimental to economic development marketing efforts and reaffirms its support for the complete phase out of this tax as soon as possible.

Enterprise zones

Background — Currently, 22 states, including seven of Iowa's twelve major competitor states, have passed legislation establishing enterprise zones. While the details of the specific programs differ, they generally provide various tax and economic development incentives for businesses locating or expanding in designated economically depressed areas. An amendment was proposed in the House last year which would have provided either property, income or sales tax assistance to new or expanding firms in "economic development areas" approved by the IDC. While all sized firms would be eligible for the incentives, they are targeted toward small business. Legislation establishing enterprise zones would provide Iowa with another economic development marketing tool and make us more competitive with other states.

Policy statement — The IDC supports enabling legislation establishing enterprise zones which would provide incentives, such as property, income and sales tax benefits, to businesses locating or expanding in designated areas in urban and rural sections of the state.


STATE SALES/USE TAX

-Rate
-Manufacturing M&E Exempt
-Local Sales Tax Options?

September 1984

MINNESOTA
-6% (4% farm machinery)
-No
-No (but special permission granted to Rochester & Duluth...1%)
SOUTH DAKOTA
-4% (3% farm machinery)
-No
-Yes, up to 2% in incorporated cities & towns
NEBRASKA
- 3.5%
-Yes
-Yes, .5-1.5% by incorporated municipalities
KANSAS
-3%
-No
-Yes, .5-1% in cities & counties, but M&E exempt
IOWA
-4%
-No
-No
MISSOURI
-4 1/8%
-Yes
-Yes, .5-1% in cities (county tax option by referendem)
MICH.
WISCONSIN
-5%
-Yes
-Yes, .5-1% in counties
MICHIGAN
-4%
-Yes
-No
ILLINOIS
-5%
-81.25% exempt 'til 1-1-85, then fully exempt
-Yes, up to 1% in cities & counties
INDIANA
-5%
-Yes
-No
OHIO
-5%
-Yes
-Yes, up to 1% in cities, 1.5% by transit authority
KENTUCKY
-5%
-Yes
-Yes, by mass transit authority
TENNESSEE
-5½% 'til 7/1/85, then 4½%
-Yes
-Yes, 1-2 ½% locally

Sources:
State Tax Guide - Commerce Clearinghouse, Inc('84)
All States Tax Guide (1984) - Prentice Hall
Directory of Incentives for Business Investment & Development in U.S. - The Urban Institute Press

Venture capital

Background — Legislation was considered by the 1984 Legislature to allow insurance companies, banks and savings and loan associations to invest up to five percent of their assets in venture capital firms whose principal business is the making of investments in small businesses. The language was approved by both the House and Senate but was part of a broad economic development bill which died the last day of the session. This allowable language could result in more funds available for venture capital firms which can be high growth companies.

Policy statement — The IDC supports passage of legislation to allow insurance companies, banks and savings and loan associations and fiduciaries to invest up to five percent in venture capital firms whose principal business is the making of investments in new and emerging businesses, and to have those investments declared as assets.

Unemployment insurance shared work program

Background — Some states (i.e., California and Arizona) have implemented programs which provide employers with an alternative to laying off workers. For example, rather than laying off 20 percent of the workforce, an employer may choose, in cooperation with the employees, to reduce every employee's hours by 20 percent — from a five day to a four day work week. Workers are then allowed to collect unemployment benefits based on 20 percent of their normally allowed benefits. The employer is thus able to maintain an experienced workforce for when full production is resumed. Workers experience only slight reductions in pay while no individual is faced with a complete loss of salary, benefits and seniority. It is important that any program be voluntary and require the agreement of both the employer and the employees.

Policy statement — The IDC supports the concept of a voluntary unemployment insurance shared work program as a means of providing an alternative to layoffs. Such a program can be beneficial to both employers and employees. Therefore, the IDC urges the Legislature to enact an unemployment insurance shared work program in Iowa. We further encourage the Job Service Advisory Council to reconsider their position.

Job Training

Background — While the HF 623 program has been very effective as an economic development marketing tool, there are some additional areas which could benefit from this program. Some small businesses have problems qualifying for the program now because of the small size of the issues. Assistance is needed to retrain workers put out of work because of technology advances.

Policy statement — The IDC supports broadening of the state jobs training program to aid small businesses with training needs that require only small issue certificates and to aid displaced workers.

Interstate Banking

Background — The Federal government is examining the issue of bank deregulation, and several states have passed legislation allowing interstate banking, usually on a regional basis. A regional banking proposal was debated last session by the Iowa Legislature, but it did not become law. Interstate banking could be helpful to Iowa's economic development efforts.

Policy statement — The IDC urges the Legislature to consider the present restrictive nature of the geographic limits of Iowa's banking laws and their inhibiting effect on economic growth, and take steps to make Iowa more competitive.

Uniform school opening date

Background — The tendency to begin the school year earlier in August has an adverse effect on the travel and tourism industry. It is estimated that by beginning after Labor Day, there would be a $35 million increase in economic activity, resulting in at least $1.5 million in increased state and local taxes. The Iowa Travel Council has been active in supporting a post-Labor Day, or at least September 1, school opening date. The bill passed the Senate last session, but it did not come to a final vote in the House.

Policy statement — The IDC encourages the Department of Public Instruction, appropriate legislative committees, local school boards and colleges and universities to evaluate the opening dates of school and consider a post-Labor Day guideline to ease the pressures created by the traditional vacation-time sought by families and to further enhance the viability of the tourism industry.

World Trade Center and export assistance

Background — The IDC has long supported efforts to increase Iowa exports. Last legislative session, the IDC supported the World Trade Center, as well as other exporting assistance.

Policy statement — The IDC believes a World Trade Center emphasizing food production and distribution would stimulate the economic development of Iowa by increasing exports, attracting food production and processing businesses and services, increasing retail trade and commerce, increasing tourism and improving agriculture programs and policies. The IDC would actively become involved in the location and development of such a World Trade Center.

The IDC recognizes the importance of increased exports to the Iowa economy as emphasized in its long-range plan. Consistent with this goal, the IDC encourages private and public initiatives to increase exporting of both agricultural and manufacturing products such as through a World Trade Center or Meat Export Center.

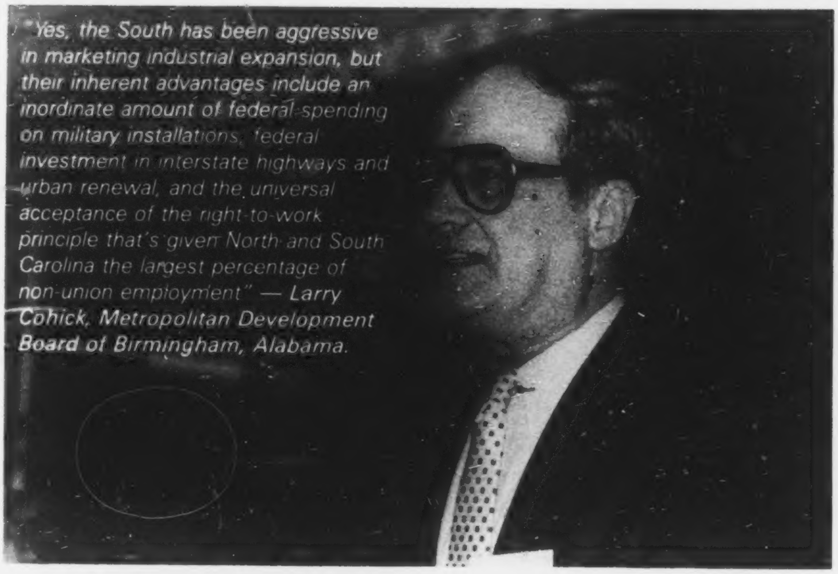
Tools & Trends discusses strategic elements in economic development

One of the South's most effective marketing experts was featured at "Tools & Trends in Community Marketing," the IDC's seminar for economic development, held in Des Moines at the end of November.

With over twenty years of experience, Larry Cohick noted the South's inherent advantages that facilitated transformation from a poor neighbor to a super-competitor.

But Cohick also emphasized strategic elements that weren't inborn, yet have become critical in the South's rise to glory: an aggressive business climate that stresses cooperation between the private and public sectors; and aggressive advertising by individual Southern states that puts Iowa's ad commitment to shame.

Cohick's prophecy for the future? More technical information will be used in economic development. Avoid specialization as we become generalists in order to keep up-to-date on rapid sociological and technological changes. And don't lose sight of the human values that statistics can't ever replace.



"Yes, the South has been aggressive in marketing industrial expansion, but their inherent advantages include an inordinate amount of federal spending on military installations, federal investment in interstate highways and urban renewal, and the universal acceptance of the right-to-work principle that's given North and South Carolina the largest percentage of non-union employment" — ***Larry Cohick, Metropolitan Development Board of Birmingham, Alabama.***

"New federal restrictions on Industrial Revenue bonds are uniquely advantageous to smaller companies" ***— Bob Helmick of Belin, Harris, Helmick, Heartney & Tesdell, a Des Moines law firm.***

"The new Community Development Block Grant offers as little as one half prime rate for projects to which this financing is critical. Applications are accepted quarterly by OPP. Iowa is the only state to offer this program" ***— Jim Lynch, OPP.***

"Property tax exemption applications must be filed prior to January 31 of the first year of qualification. This benefit is available to service and distribution companies as well as manufacturers" — ***Dick Sorenson, IDC.***

"It's clear that ads placed by individual Iowa communities benefit the whole state" — ***Bob Stapleton, Clinton Area Development Corp.***

Awards for outstanding site data

The search for a new plant includes considerations of region, raw materials and labor. But sooner or later (very often, sooner) the focus is on finding a site or a building that meets specific needs. The perfect location may in fact be available, but unless there is comprehensive, descriptive information on the site, the golden opportunity may be lost.

"Available buildings are critically important to expanding manufacturers that have job orders in hand, waiting for their new plant to begin operations . . . Iowa has plenty to offer manufacturers looking for the small town advantages of land and labor value" — ***Jim Stratford, GENPAK, Rochester.*** *(GENPAK's Iowa Falls plant was built to order, after a search failed to locate the appropriate facility.)*

Recognizing the importance of site information to economic development, the Iowa Development Commission sponsors an annual Site Information Award program to recognize excellence. The 1984 winners were announced at "Tools & Trends in Community Marketing:"

In communitues under 10,000	In communities over 10,000
Humboldt	Cedar Rapids
Red Oak	Mason City
Sheldon	Waterloo

In addition, Clarinda and Indianola were recognized for improvement in preparation of site information.

Governor Terry Branstad, who presented the awards, commented, "As economic development becomes increasingly competitive, our marketing efforts must become more sophisticated. The communities recognized this evening have set new standards of excellence."

Representing one of the winning entries, Richard C. Berrier, executive director of the Humboldt Area Improvement Corporation, noted, "It's vital that prospects be provided with accurate, concise site information. The IDC Site Information Awards encourage communities to develop these skills and become more competitive."

Iowa

Office for Planning and Programming

Edward J. Stanek, Ph.D., Director **Steven L. Rosenow, Staff Economist**

GSP drops in third quarter as farm income falls

Falling farm income pushed Iowa's inflation-adjusted **Gross State Product** (GSP) downward by 2.2 percent during the third quarter of 1984. Real personal income fell by 1.0 percent during the period.

A nearly stagnant labor market also contributed to the latest declines in both GSP and personal income. Total nonfarm employment rose by 0.2 percent during the third quarter. However, average wages rose by less than inflation during the period, and total wage and salary disbursements fell by 0.3 percent. The other major components of personal income remained fairly stable during the third quarter, except for transfer payments, which declined by 3.6 percent.

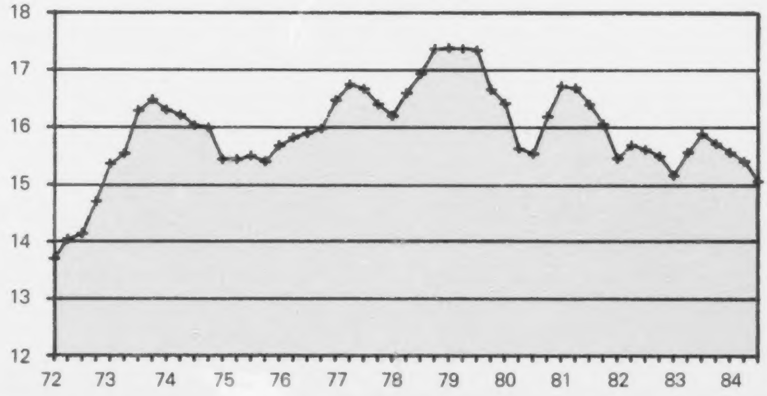
Iowa GSP has declined in each of the past four quarters. The significance of the situation facing farmers becomes apparent when the components of personal income are examined. Since the recent peak achieved during the third quarter of 1983, total personal income has declined, while its nonfarm portion has grown moderately. In fact, since the first quarter of 1984, the agricultural component has been negative and detracted from total personal income.

The outlook for the state's agricultural sector, and consequently much of the nonfarm economy, has not brightened. The U.S. Department of Agriculture expects a decrease in farm income at the national level in 1985. Although the expected export volume of Iowa's two major crops, corn and soybeans, will increase, the dollar value of those exports is expected to be lower because of lower prices. The farm program which was recently proposed by the Reagan administration would halve agricultural subsidies by 1990 and move closer to a market-oriented farm economy. The resulting grain prices would probably be somewhat lower than the prices resulting from the current farm program.

Recent declines in interest rates offer some hope for the state, since falling rates should weaken the dollar overseas. The dollar has weakened somewhat against the currencies of some of America's major trading partners. However, there is still a substantial difference between domestic interest rates and those overseas, and this difference is not expected to decrease enough to have a substantial impact on agricultural export activity.

Iowa Gross State Product

(billions of constant 1972 dollars - seasonally adjusted annual rates)



Selected Economic Indicators

All Series Seasonally Adjusted

	Annual Average 1983	Latest Period	Value	Percent Change from Prior Period	Percent Change from Year Ago	Percent Change from 2 Years Ago
Iowa Gross State Product (billions)						
Constant (1972) dollars	15.6	'84 Q:3	15.1	−2.2	−5.2	−3.5
Current dollars	33.6	'84 Q:3	33.8	−1.4	−1.5	3.8
Iowa Personal Income (billions)						
Constant dollars	14.9	'84 Q:3	14.7	−1.0	−3.0	−0.8
Current dollars	32.0	'84 Q:3	32.9	−0.2	0.8	6.7
Gross National Product (billions)						
Constant dollars	1,534.7	'84 Q:3	1,649.6	0.7	6.4	11.7
Current dollars	3,304.8	'84 Q:3	3,701.2	1.6	10.6	20.2
Iowa Composite Indices						
Leading	139.4	October	143.8	−0.9	4.9	11.3
Coincident	128.9	October	132.6	1.0	1.2	3.2
Lagging	128.3	October	133.1	0.1	3.4	4.9

(All indices - 1967 = 100)	Annual Average 1983	October 1984	Percent Change from Previous Month	Percent Change from Previous Year	5-year High	5-year Low
Ia. Industrial Prod. Index	126.8	139.4	0.9	5.2	160.1	116.4
Food & Kindred Products	141.5	142.2	3.0	−1.9	145.7	133.7
Printing & Publishing	165.1	183.2	−0.1	4.7	185.3	154.5
Rubber & Plastics	295.9	351.6	0.0	10.8	363.3	230.2
Fabricated Metals	113.1	120.4	−0.4	2.5	152.6	102.9
Farm Machinery	60.4	70.9	−2.6	15.9	151.8	51.6
Construction Machinery	83.0	111.8	1.7	19.4	190.9	42.1
Electrical Equipment	113.5	121.2	0.6	3.9	147.7	107.4

Nonfarm income rises during second quarter as farm income drops

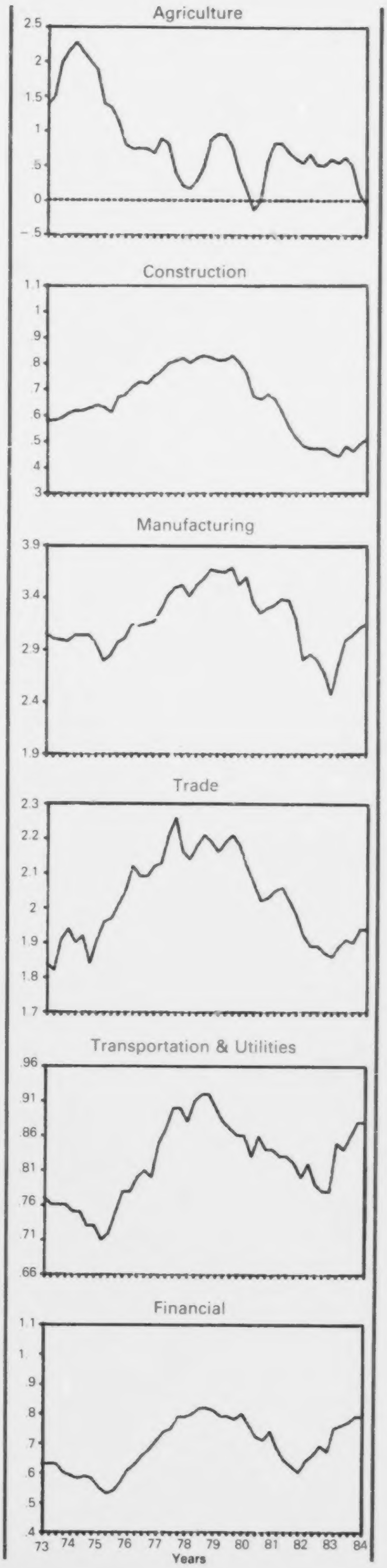
The state's measure of total income declined by 0.7 percent during the second quarter of 1984, largely because of a fall in income from the agricultural sector. The total income estimates include income generated by laborers, proprietors and corporations in the state. Income from the sectors other than agriculture rose by 0.6 percent during the period, showing a growth trend in the Iowa economy that is somewhat less than that experienced by the nation in general. Available estimates of farm proprietor's income for the third quarter suggest that lower crop prices will likely lead to a further decline in farm income during the July through September period for which complete data are not yet available. High interest rates and a strong dollar on world currency markets have led to sluggish agricultural export activity.

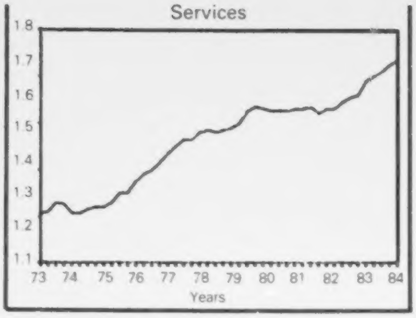
Other components of the Iowa economy showed resilience during the period. Total income generated in the **construction** industry rose by 3.7 percent during the second quarter, with continued reliance on adjustable-rate mortgages helping to support employment and income activity in the homebuilding sector. Incomplete reports on construction activity available for the third quarter are somewhat mixed. While seasonally adjusted estimates of construction employment rose by 4.4 percent during the third quarter, the number of dwelling units included in new construction contracts dropped by 4.1 percent. This may indicate a move from housing construction to business construction activity. Downtown business construction activity in a number of cities illustrates this growth. A recent report by the Federal Home Loan Bank of Des Moines indicates a decline in mortgage lending activity in Iowa during the third quarter. Their report ended with an upbeat note, saying "indications are that the recent favorable trends in interest rates have already helped bring mortgage rates down, and a rebound in lending in the fourth quarter seems quite likely."

During the second quarter, total income originating in Iowa's **manufacturing** industries rose 0.9 percent, marking the fifth

Total Labor, Proprietors' and Corporate Income in Iowa
Seasonally Adjusted at Annual Rates
Billions of Constant (1972) Dollars

	Annual 1982	Average 1983	1984 Q:1	1984 Q:2	Percent Change from 84 Q:1	Percent Change from 83 Q:2
Total Income	10.36	10.63	10.70	10.63	– 0.7	– 0.7
Goods-producing	3.83	3.85	3.70	3.61	– 2.4	– 3.5
Agriculture	0.56	0.57	0.08	–0.06	N/A	N/A
Mining	0.02	0.02	0.02	0.02	0.0	0.0
Construction	0.47	0.46	0.49	0.51	3.7	15.9
Manufacturing	2.78	2.80	3.11	3.14	0.9	14.6
Durable Goods	1.54	1.52	1.76	1.76	0.0	19.7
Primary Metals	0.08	0.08	0.10	0.11	7.6	37.5
Fabricated Metals	0.22	0.22	0.24	0.25	2.7	19.0
Machinery	0.64	0.56	0.66	0.68	3.6	19.3
Electrical Equipment	0.28	0.25	0.27	0.26	– 2.0	– 4.0
Nondurable Goods	1.25	1.29	1.35	1.39	2.4	8.6
Food and Kindred	0.58	0.58	0.60	0.58	– 2.6	1.8
Printing and Publishing	0.22	0.22	0.23	0.23	2.4	4.5
Rubber and Plastics	0.11	0.12	0.14	0.14	3.9	16.7
Service-producing	6.53	6.79	7.00	7.02	0.2	2.9
Transportation & Utilities	0.80	0.83	0.88	0.88	0.0	3.5
Trade	1.89	1.89	1.94	1.94	– 0.2	2.6
Wholesale	0.88	0.85	0.88	0.88	0.2	3.5
Retail	1.02	1.04	1.07	1.06	– 0.5	1.9
Finance, Insurance and Real Estate	0.65	0.74	0.79	0.79	0.0	5.3
Services	1.68	1.78	1.85	1.87	0.8	5.1
Government	1.48	1.51	1.49	1.49	0.3	– 2.0





consecutive quarterly increase. Rising levels of industrial production through the third quarter suggest a stable or growth trend will likely be seen in manufacturing income when data for the period become available. The manufacturing firms producing nondurable goods exhibited the greater strength and saw income gains totaling 2.4 percent in the second quarter. These firms manufacture food and chemical products, printed materials, and other items which generally have a short useful life. Within the durable goods portion of the manufacturing sector, income gains in firms producing primary metals, fabricated metals and machinery were offset by declines in firms that manufacture electrical equipment and other durable goods.

The state's **service-producing** industries showed a modest 0.2 percent increase in income generated during the second quarter. Since employment and income in these industry groups are largely dependent on manufacturing and agricultural income, the relatively slow rate of growth came as no surprise.

Income arising from the **transportation, communication and public utilities** sector showed no significant change during the second quarter, although these industries had income gains during each of the preceding two quarters. Their earlier growth was apparently a result of earlier increases by the state's manufacturing industries. Manufacturing activity is a major determining factor in the demand for the transportation and warehousing services which make up a significant portion of this industry group.

Total income originating in the **trade** industries fell slightly during the second quarter, when an increase of 0.2 percent in wholesale trade income was more than offset by a decline of 0.5 percent among the retail trade industries. Employment in the trade sector dropped slightly during the period, and state retail sales tax receipts also declined after adjustment for inflation. The declines during the second quarter were expected following the slower economic growth foreseen last December with declines in the state's index of leading economic indicators.

The **financial** industry, which includes finance, insurance and real estate firms showed no growth during the second quarter on the heels of four quarters of growth for the sector. Falling interest rates evident through the third quarter will affect the income of this industry and will result in a period of adjustment for these firms. Income from the real estate portion of this sector should be helped by a period of lower interest rates. Financial institutions have cushioned themselves somewhat during the period through the promotion of adjustable rate loans. Use of this type of loan to finance purchases of automobiles is becoming more common across the nation, although the extent of its use in Iowa has yet to be determined.

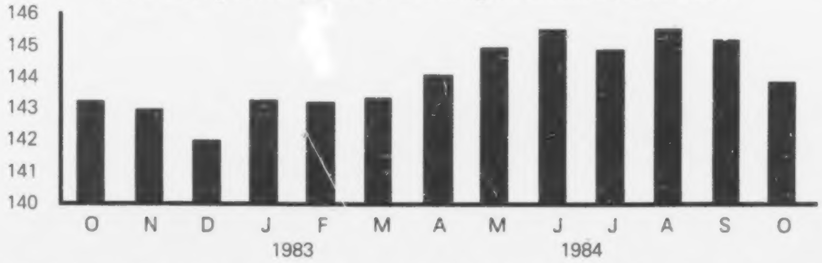
Service industry income in Iowa grew by 0.8 percent during the second quarter. These industries have been amazingly stable throughout the recession, showing no significant income decline and some growth since the final quarter of 1981. During the third quarter, employment within this sector declined slightly.

Economy grows in October

A 1.1 percent increase in Iowa's nonfarm jobs during October, coupled with a 0.9 percent increase in manufacturing activity, caused the **Iowa Index of Roughly Coincident Economic Indicators** to rise 1.0 percent for the month. This index is designed to reflect changes in the economy as they occur.

The October employment increase occurred largely as public schools in the state continued to hire workers for the fall term and brought the state's total pool of employed workers 0.7 percent above its year-ago level. Modest employment gains were also registered by the goods-producing sector and the private portion of the service-producing sector. The jobs gain was reflected in state sales tax receipts as Iowans spent 3.4 percent more this October than October of 1983. This trend should be good news for Iowa merchants as they approach the Christmas selling season.

Iowa Composite Index of Leading Economic Indicators



Slumping residential construction activity and a rising level of first-time claims for jobless benefits pushed the **Iowa Composite Index of Leading Economic Indicators** downward by 0.9 percent in October. This latest change was the second consecutive monthly decline and the third in the past four months. This index was designed to help assess the short-term outlook for the state's economy. Of the five economic indicators included in the index, four exerted downward pressure on the composite in October.

The Iowa Composite Index of Lagging Economic Indicators rose by 0.1 percent in October, as two of the three indicators included in the index rose for the month.

JOB SERVICE OF IOWA

Labor Market Information

Richard Freeman, Director **Ann Wagner, Labor Market Analyst**

State Unemployment Follows National Trend

Iowa's labor force rose to 1,376,000 in October, a gain of 15,300 from the previous month. The seasonal influx of workers into agriculture, meat packing, retail trade and schools was largely responsible for the monthly increase. The labor force totaled 1,377,800 one year ago.

The statewide unemployment rate declined steadily during the year, and was reported at 4.1 percent for both September and October. The number of jobless Iowans was estimated at 56,100 for October. This level compared with 55,300 for September, and 60,500 for one year ago.

Ten-month jobless figures placed the state's unemployment rate at 5.0 percent. The average represented 67,700 unemployed persons out of a statewide labor force that totaled 1,360,400. For the same period of 1983, unemployment was reported at 6.3 percent.

Total employment in Iowa stood at 1,320,000 in October, an increase of 14,500 from September and 2,800 from the same period one year ago. A major share of the annual increases occurred in the nonmanufacturing industries.

An overview of industry trends for the past year revealed a mixed employment picture for the state. In durable goods manufacturing, transportation equipment and primary metal products accounted for most of the new hire activity. Nondurable goods manufacturing lost jobs due to temporary and permanent plant closings in meat packing. In the nonmanufacturing sector of the economy, workers were added to construction; finance, insurance and real estate; and government. The services, a traditionally strong growth area within nonmanufacturing, were adversely affected by the widespread layoffs in health services.

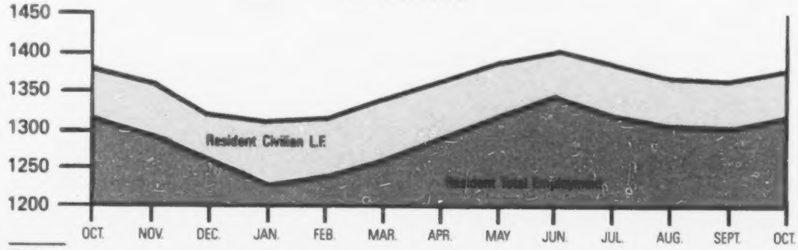
Iowa Labor Force Summary
(In Thousands)

	Oct. 1984	Sept. 1984	Oct. 1983
Resident Civilian Labor Force	1,376.0	1,360.7	1,377.8
Resident Unemployed	56.1	55.3	60.5
Percent Unemployed	4.1	4.1	4.4
Resident Total Employment	1,320.0	1,305.5	1,317.2
National Unemployment Rate*	7.4	7.4	8.8
Iowa CPS Unemployment Rate**	5.8	5.8	6.0

*Seasonally adjusted rate.

**Current Population Survey (CPS) rate should be used for federal and state funding purposes.

Labor Force, Employment, Percent Unemployed
Oct. 1983 thru Oct. 1984 (Non-CPS)
State of Iowa



	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEPT.	OCT.
Resident Unemployed	60.5	62.1	64.4	83.9	81.9	79.3	74.2	64.7	62.9	61.5	57.1	55.3	56.1
% Unemployed	4.4	4.6	4.9	6.4	6.2	5.9	5.4	4.7	4.5	4.4	4.2	4.1	4.1

Iowa Nonagricultural Wage and Salary Employment
Place of Work Data - In Thousands

	Oct. 1984	Sept. 1984	Oct. 1983	Net Change From Sept. 1984	Net Change From Oct. 1983
Total Nonagricultural	1,050.4	1,041.2	1,037.7	9.2	12.7
Manufacturing	208.4	207.9	207.0	0.5	1.4
Durable Goods	119.7	120.2	117.6	−0.5	2.1
Nondurable Goods	88.7	87.7	89.4	1.0	−0.7
Nonmanufacturing	842.0	833.2	830.7	8.8	11.3
Mining	2.2	2.3	1.9	−0.1	0.3
Construction	45.8	46.4	42.1	−0.6	3.7
Transportation, Communication & Utilities	49.7	49.8	49.9	−0.1	−0.2
Trade	261.6	261.2	261.8	0.4	−0.2
Finance, Insurance & Real Estate	61.4	61.2	60.0	0.2	1.4
Government	211.3	203.6	208.7	7.7	2.6

Iowa Ag & Business Indicators

Compiled by the Iowa Development Commission

Labor Demand and Supply[1] September, 1984

Service Areas	Individual Placements	New Applicants & Renewals	Service Areas	Individual Placements	New Applicants & Renewals
Ames	417	744	Iowa City	860	1,562
Atlantic	191	422	Keokuk	192	401
Burlington	588	1,199	Marshalltown	374	776
Carroll	941	512	Mason City	1,068	1,565
Cedar Rapids	1,733	2,951	Muscatine	67	445
Centerville	162	201	Newton	168	786
Charles City	44	59	Oskaloosa	255	282
Clinton	168	884	Ottumwa	936	1,323
Council Bluffs	NA	NA	Sheldon	85	207
Creston	71	372	Shenandoah	109	476
Davenport	1,158	2,604	Sioux City	629	1,580
Decorah	108	243	Spencer	329	593
Des Moines	1,626	3,391	Storm Lake	122	348
Dubuque	402	1,393	Waterloo	943	1,772
Fairfield	187	409	Webster City	270	230
Fort Dodge	641	992			
Fort Madison	134	334	**Statewide**	**15,655**	**28,943**

[1] All new applicants and job openings listed with Iowa Department of Job Service

U.S. Consumer Price Index

	Sept. 1984	Sept. 1983
All Urban Consumers (1967 = 100)	314.5	301.8

U.S. Composite Construction Cost Index

	August 1984	August 1983
U.S. Composite Construction Cost Index (1977 = 100)	163.2	158.4

Business Data

	9/84	9/83	9 mos./84	9 mos./83
New Car Registrations	7,734	7,059	67,222	67,943
Iowa Savings & Loan ($000,000)				
Total Loans Closed	40.6	54.3	502.0	381.9
Savings	49.5	54.1	254.1	648.0
Work Force (000)	1,360.1	1,366.8	1,357.3	1,362.8
Unemployment	54.8	61.2	68.6	89.3
Rate (% of work force)	4.0	4.5	5.1	6.6
Employment	1,305.3	1,305.5	1,288.6	1,273.5

Value of New Dwellings[1] ($000)

	10/84	10/83	10 mos./84	10 mos./83
Ames	$ 356.9	$ 130.0	$ 5,214.4	$ 5,346.0
Bettendorf	838.8	704.8	8,040.1	7,172.9
Burlington	154.0	666.6	1,147.0	1,791.3
Cedar Falls	86.8	134.7	1,494.3	1,469.1
Cedar Rapids	717.9	264.4	4,597.7	1,638.8
Clinton	0	0	345.0	1,069.5
Council Bluffs	369.0	511.8	6,162.0	2,768.6
Davenport	774.5	1,276.1	8,313.1	7,723.4
Des Moines	2,293.1	3,281.4	25,896.6	11,289.8
Dubuque	357.8	142.2	2,031.3	1,112.5
Fort Dodge	190.0	239.0	4,942.5	1,209.3
Iowa City	1,297.1	3,038.1	15,902.8	28,553.4
Keokuk	33.0	60.0	608.0	355.0
Marion	59.5	147.6	1,251.4	865.7
Marshalltown	198.0	54.0	666.0	1,239.0
Mason City	237.0	598.2	4,210.8	3,006.3
Muscatine	0	128.0	1,119.0	5,681.4
Newton	0	0	335.8	240.0
Ottumwa	0	0	470.6	520.0
Sioux City	183.9	495.9	2,036.5	2,084.3
Urbandale	1,127.7	904.8	14,416.7	6,341.7
Waterloo	0	296.9	1,190.8	2,432.5
W. Des Moines	8,581.3	2,439.0	31,011.0	14,458.5
Total	**$ 17,856.3**	**$ 15,513.5**	**$ 141,403.4**	**$ 108,369.0**

[1] Single, two-family and multiple residential dwellings, based on housing permits issued.

Leading States for Farm Marketing ($ Mil.)

	Total		Crops		Livestock & Products	
	8 mos./84	8 mos./83	8 mos./84	8 mos./83	8 mos./84	8 mos./83
U.S.	82,408.4	86,058.8	35,376.5	40,207.1	47,032.0	45,851.6
Iowa	**5,373.4**	**6,567.3**	**2,003.8**	**2,895.8**	**3,369.6**	**3,671.5**
California	7,564.6	7,296.4	4,594.4	4,535.4	2,970.3	2,761.0
Texas	6,089.3	5,832.0	1,925.2	2,213.8	4,164.1	3,618.2
Illinois	4,537.8	5,931.2	3,068.5	4,374.1	1,469.4	1,557.2
Kansas	4,117.4	3,994.3	1,471.0	1,565.4	2,646.4	2,428.9
Nebraska	3,743.9	4,267.8	948.7	1,462.0	2,795.1	2,805.8
Minnesota	3,468.0	4,031.4	1,348.0	1,811.1	2,120.0	2,220.2
Wisconsin	3,301.2	3,449.5	566.7	633.8	2,734.5	2,815.7
Florida	3,094.5	3,173.3	2,436.1	2,520.5	658.3	652.8

Personal Income Quarterly Periods

	1984		1983	
	I	II	I	II
Personal Income ($000,000)	35,079	34,515	30,722	30,470

Stock Index

	Iowa*	Dow Jones Industrial
August, 1984	210.76	1,224.38
September, 1984	214.98	1,206.71
October, 1984	211.71	1,207.38

*Robert C. Westlund, Piper, Jaffray & Hopwood, Inc. (1967 = 100)

Average Price Received by Farmers

	10/84	9/84	10/83
Corn, bu.	$ 2.60	$ 2.84	$ 3.06
Soybeans, bu.	5.93	6.06	7.87
Oats, bu.	1.75	1.96	1.88
Hogs, cwt.	43.40	46.30	40.20
Beef cattle, cwt.	53.30	54.30	52.90
Calves	57.20	57.20	53.60
Milk (whls), cwt.	13.40	13.10	13.50
Sheep, cwt.	14.20	15.90	15.10
Lambs, cwt.	64.00	62.70	53.40
Eggs (market), doz.	.37	.43	.55
All hay, ton baled	57.00	55.00	72.00
Turkeys, lb.	.48	.46	.41

Average Price Paid by Farmers

	10/15/84	10/15/83
Beef cattle concentrated, 32-36%	$ 11.80	$ 14.40
Hog feed, 38-42% protein	13.00	16.60
Soybean meal, 44% protein	10.00	15.50
Dairy feed, 16% protein	176.00	210.00
Poultry feed, layer ration	198.00	196.00

Commodity Feed Price Ratios

	10/15/84	10/15/83
Hog — corn[1]	16.7	13.1
Beef cattle — corn[1]	20.5	17.3
Egg — feed[2]	4.3	6.0
Milk — feed[3]	1.52	1.29

[1] Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.
[2] Pounds of laying feed equal in value to 12 eggs.
[3] Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Iowa events make ABA's "Top 100"

Midwest Old Settlers and Threshers Reunion in Mount Pleasant and the National Hot Air Balloon Championships in Indianola have been named to the "Top 100 Events in North America for 1985" by the American Bus Association.

"This designation gives the two Iowa events a strong, national marketing effort from the ABA in 1985 as well as adding to their prestige," said Paul Comer, Visitors and Tourism section manager of the Iowa Development Commission.

Each year's "Top 100" selections by the ABA are heavily promoted as choice designations for motorcoach tour groups. This, in effect, can be a boom to the local economy where the event is being hosted. It is estimated that the impact on the economy from an overnight stay by passengers on a fully loaded tour bus is from $2,500 to $3,500.

Motorcoaches have been a key part of the increased tourism in Iowa last summer at Boone and in Mississippi River cities such as Dubuque, Bettendorf and Davenport. Such tours are popular with couples over 50 years of age, a key segment of travelers in the Iowa Development Commission's marketing plan.

The ABA "Top 100" designations are based on nominations made by state and provincial travel directors to the United States and Canada. The 1985 list features events in 46 states, the District of Columbia and seven Canadian provinces.

Free publicity for your company

Business & Industry Magazine, an industrial/manufacturing publication covering Iowa, Minnesota and Nebraska, will publish, free of charge, news releases about your company on a space available basis. The magazine is primarily interested in new plant locations, expansions and general news. The magazine does not use new product releases. Send your company news to: Business & Industry Magazine, 1200 35th Street, Suite 300, West Des Moines, Iowa 50265.

Machine exports to Japan

The Chicago office of the Japan External Trade Organization (JETRO) has supplied the Iowa Development Commission with a supply of machine exporters questionnaires.

The information provided by Iowa manufacturers in this questionnaire will be distributed via JETRO headquarters in Tokyo to Japanese machinery importers so that these importers can contact Iowa manufacturers directly.

This can be an excellent and inexpensive way for an Iowa machinery manufacturer to test the market potential in Japan. If you are interested in completing a questionnaire with JETRO, contact the International Section of the Iowa Development Commission at 515/281-3138.

Proliferation of development efforts

Responding to growing concern about the proliferation of economic development efforts by public and private agencies, the staff of the Iowa Development Commission has completed an inventory that identifies 78 public offices or agencies, as well as private groups, currently involved or professing to be involved in economic development. IDC Commissioners have asked that the inventory be passed along to the Legislature with a recommendation on consolidation or coordination that would ensure a focus to the state's efforts. IDC Director Jack Bailey pointed out that states that are Iowa's major competitors have been simplifying their internal structures to deal promptly and efficiently with prospective businesses.

Available Buildings

This is not a complete list of all buildings available in Iowa. For further information, please call 515-281-3251.

SQUARE FOOTAGE	COMMUNITY	FORMER USE
10,000	Charles City	Spec Building
12,000	Sioux City	Spec Building
12,500	Cherokee	Spec Building
14,163	Charles City	Industrial
14,794	Adel	Industrial
15,760	Missouri Valley	Light Manufacturing
17,600	Carroll	Industrial
20,000	Clinton	Spec Building
20,000	Maquoketa	Spec Building
21,000	Corning	Spec Building
21,205	Oskaloosa	Spec Building
21,379	Waterloo	Commercial
22,280	Humboldt	Industrial
22,500	Red Oak	Spec Building
23,000	Waverly	Spec Building
26,850	Algona	Light Manufacturing
29,790	Mount Pleasant	Industrial
32,580	Sioux City	Light Manufacturing
33,500	Des Moines	Industrial
35,000	Waukon	Warehouse
35,340	DeWitt	Manufacturing
40,000	Creston	Spec Building
44,348	Osceola	Manufacturing
47,596	Boone	Heavy Industrial
49,500	Audubon	Industrial
54,080	Oskaloosa	Industrial
59,512	Denison	Manufacturing
63,408	Bondurant	Industrial
66,708	Johnston	Warehouse
70,766	Forest City	Manufacturing
72,000	Davenport	Light Industrial
85,000	Burlington	Heavy Manufacturing
90,000	Fort Dodge	Manufacturing
108,000	Waterloo	Heavy Industrial
108,694	Cedar Rapids	Light Industrial
120,500	Boone	Manufacturing
121,500	Sioux City	Heavy Industrial
159,336	Mason City	Manufacturing
169,000	Red Oak	Manufacturing
194,400	Centerville	Heavy Industrial
285,000	Maquoketa	Industrial

Iowa
DEVELOPMENT
COMMISSION

IDC DIGEST
Jan. 1985 Vol. XIIII-No. 1

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NASDA International Trade Specialist Training Program

February 28-March 1, 1985
Granada Royale Hometel
Phoenix, Arizona

The NASDA International Trade Specialist Training Program, presented in cooperation with the American Graduate School of International Management (AGSIM), is designed specifically for trade development staff in both public and private sector organizations that assist exporters. The intensive five-day course reviews export techniques and concentrates on developing assistance and counseling skills by utilizing public and private sector practitioners as instructors. Lecturers for the course are drawn from the AGSIM faculty, their visiting lecturers and NASDA members. Case studies prepared by NASDA members and AGSIM will be distributed and discussed, as an integral part of the coursework. Topics to be covered include:

- Introduction to International Trade in the Context of Economic Development
- How State Governments Promote Trade
- Emerging Issues in State Trade Development Initiatives
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- Export Players: Freight Forwarders, Custom Brokers, International Bankers, Marine Insurance Underwriters
- Money Paperwork: Pro-Forma Invoice, Commercial Invoice, Credit Considerations, Letters of Credit, Documentary Drafts, Banker's Acceptances
- Financing Export Transactions: The Export-Import Bank, Private Export Funding Corporation, Commercial Bank Arrangement, F.C.I.A.
- Alternatives to Market Entry
- Tariff and Non-Tariff Barriers
- Organizing for Export Operations
- Agent/Distributor Networks
- Business Practices and Cross-Cultural Problems
- Developing Trade Leads Overseas
- Usefulness of Trade Missions and Trade Shows

For more information about the NASDA International Trade Specialist Training Program, contact Judith Katz or Deborah Culbertson at NASDA, 444 North Capitol Street, NW, Suite 526, Washington, D.C. 20001; or call 202/624-5411.

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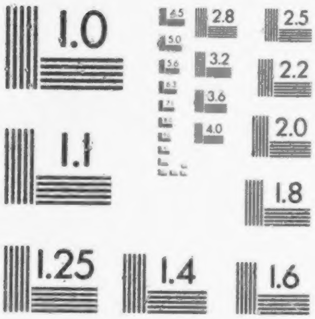
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Digest

Iowa
DEVELOPMENT
COMMISSION

February 1985

A Cure for Iowa Winters

Industrial Expansions

DEKALB-PFIZER GENETICS
reopening Humboldt plant

DeKalb-Pfizer Genetics, as part of a long-term company expansion program, announced that the DeKalb seed corn plant in Humboldt will be reopened this spring as a full scale seed corn bagging and distribution facility.

The plant, which was closed in April 1983, will employ 13 full-time workers in addition to the manager, assistant manager and a secretary. In addition, the plant will employ an estimated 1,000 part-time detasslers during the summer and will be contracting truck drivers, all of which is expected to pump some $2 million into the Humboldt County economy.

Traer Manufacturing
expanding facilities

Traer Manufacturing of Traer, a supplier for General Motors, has recently completed a 10,000-square-foot addition to their existing 50,000-square-foot building in order to accommodate the additional integral presses that have been added to meet the requirements of several new contracts. Currently, the plant employs 45 people, with plans to increase their staff once the new presses are in place and the new projects begin.

EXCELLENCE IN CABINETRY
FIELDSTONE™
expands Northwood plant

Fieldstone Cabinetry Inc. has recently completed a 37,000-square-foot to their existing structure in Northwood. This brings the total plant size to just over 71,000-square-feet. The increased facility has the capability of producing 150 cabinets a day. A present employment of 80 could eventually burgeon to 160.

Schleswig
Specialty Meats, Inc.
adds 3,000-square-feet

Schleswig Specialty Meats, Inc. of Schleswig will add 3,000-square-feet to their facility to accommodate the production of more than one type of sausage at any given time. The expansion will provide for six to ten additional employees. Currently, the plant employs 20.

CHEM-TECH, LTD.
relocates to Pleasantville

Chem-Tech, Ltd. has recently relocated its plant at the 10-X Building in Pleasantville. Chem-Tech produces pesticides that are marketed to the dairy industry and for other agricultural uses, as well as products for home and commercial use. About 20 local people have been hired, and during the summer season, the company may increase their employees to as many as 32.

DES MOINES COLD STORAGE CO., INC.
opens division in Mason City

Mason City Cold Storage, a division of Des Moines Cold Storage Co., Inc., will be the new occupant in the former Northwest By-Products plant in Mason City. The company will have freezer and cooler storage for meat, turkeys, butter and frozen foods. Although the firm will initially hire four or five people, Edward C. Muelhaupt of Des Moines states, "We hope to eventually hire between 15 and 20 people. It depends how the business goes."

Currently, the 50,000-square-foot plant is undergoing renovation, with the first 25,000-square-feet nearly completed. The rest of the building will be leased to other companies.

Wells
moves into Manning

Wells Manufacturing Corp., a Wisconsin manufacturer of automotive ignition parts, is leasing 16,000-square-feet of space in the former L.R. Nelson Corp. building in Manning to produce the High Energy Ignition Coil for General Motors and Ford. Although only about 12 persons will be hired initially, expansion plans are looking at the feasibility of adding a second and third shift which could result in as many as 100 additional employees.

Glenn & Company
opens Onawa business

Glenn & Company, a new Onawa business, is manufacturing wood products, specializing in waterbed frames and headboards. When in full production, the concern will employ up to eight full and part-time employees. In addition to establishing a wholesale market, the firm maintains a local sales office, stocking a complete line of waterbed accessories.

SOMA CORPORATION
— a new business in Cresco

The newly formed Soma Corporation recently established an assembly and shipping facility at Cresco in order to manufacture a unique hi-tech product. The firm holds the exclusive rights to the marketing and assembly of a CRT screen shield that effectively blocks 99 percent of ultraviolet light and x-ray radiation from reaching computer and word processor operators. It also neutralizes 99 percent of the positive ions propelled from the tube's surface, eliminates glare and reduces reflection.

Currently, the firm employs four assemblers. However, this number is expected to increase as business increases.

Snowmobiling—a cure for "cabin fever"

One of the most popular cures in Iowa for those wintertime "cabin fever blues" is snowmobiling. According to Bob Walker of the Iowa Conservation Commission, "many people would be surprised to find out that Iowa ranks fifth of 50 states in the number of registered snowmobiles. This large interest has led to one of the larger snowmobile trail programs in the United States."

Iowa's nearly 4,000 miles of groomed snowmobile trails are primarily located in a fan-shaped area from Des Moines to the northwest and northeast portions of the state. And, local snowmobile clubs, county conservation boards and the Iowa Conservation Commission are continuously working to expand this network.

In Iowa, snowmobile owners must register their machines with the county recorder biennially, paying a $12 fee for a two-year period. The registration fee is placed in a state snowmobile fund which is administered by the Iowa Conservation Commission and is used to develop and maintain snowmobile trails.

The majority of the trail system in Iowa is found in the ditches adjoining state and county roadways. According to the Conservation Commission, "development includes the construction of bridges to cross ravines and wet areas; gates to allow passage through private fences to gain access to the 20 percent of the trails that are on private lands through lease agreements; and the clearing of dangerous obstacles found in trail paths."

Along with state and county conservation efforts, the Iowa State Snowmobile Association works in trying to get laws changed and new laws passed to help and make for better and safer snowmobiling. The Association also publishes the *Iowa Snowmobiler* to keep members apprised of recent developments and upcoming events, festivals and races.

In addition, the Association is the sponsor of the Trans Iowa Snowmobile Ride. The ride — scheduled this year for late January, but was cancelled due to the lack of snow — was scheduled to begin in Farmersburg in Northeast Iowa and conclude four days later in Oak Grove Park in Northwest Iowa. "Although the weather didn't cooperate with us this year," states Dan Martin, president of the Association, "we will try again next year to have the first Trans Iowa Snowmobile Ride."

Even though there has been a lack of snow in some portions of the state this year, other areas have had enough snow to provide enjoyment for the snowmobile enthusiast. For information about which trails are open and their conditions, contact Bob Walker, snowmobile trail administrator at the Iowa Conservation Commission, at 515/281-5148.

Legislative Update

The Iowa Development Commission has approved these additional policy statements (See January issue of *Digest* for other policy statements) pertaining to the 1985 legislative session. Legislative action on these proposals would aid the IDC's marketing efforts and provide a more inviting business climate. If you have any questions or comments, contact Linda King Kading, government and internal affairs manager of the IDC.

Utility rate incentives

Background — Last January, the IDC approved a resolution urging the Legislature to allow discounted electric utility rates as an economic development tool. While the proposal was debated in the Legislature, it did not pass both houses. Since then, the Iowa Commerce Commission staff has released a report declaring that the Iowa Public Service pilot project has not been successful and recommending that it be ended. The Commerce Commission has decided to continue the pilot project pending further reviews. Iowa Power requested approval of a utility rate incentive proposal but was turned down by the Commerce Commission. Also, the gas industry has expressed interest in being included in any legislation enabling the Commerce Commission to approve rate incentives.

Resolution previously adopted by IDC (January 1984) — Notwithstanding the provisions of Section 476.5, the Commerce Commission may approve electric rates, charges and schedules which provide discounts to industrial and commercial customers if the commission finds all of the following: a) in the past year the utilities have had excess generating capacity; b) a reasonable need for new employment opportunities; c) the discount rate is reasonably designed to attract new business or expand existing production and employment; and d) other customers will not experience an unreasonable increase in rates. The discount rates shall phase out within five years of implementation.

Proposed substitute resolution — The IDC supports legislative action which would allow the Commerce Commission to approve electric and natural gas discounted rates to industrial and commercial customers for economic development.

Economic development levy

Background — Statutory limits on the local tax rates restrict the amount which local governments can raise to finance their operations. A special levy for economic development will allow cities and counties to levy funds to encourage industrial and economic growth.

Resolution — Cities and counties should be allowed to levy an additional property tax for the operation of an economic development commission, or a public or private organization designated to carry out economic development functions and projects on behalf of the governmental unit, to encourage industrial and economic growth.

Office/research space property tax exemption

Background — The statutes currently allow local governments to provide a five-year partial property tax exemption for new industrial real estate, warehouses and distribution centers. This resolution would expand that exemption to include office and research real estate to assist the expanding service industries.

Resolution — The partial property tax abatement provided in Chapter 427B should be expanded to include office and research real estate.

Delay partial property tax exemption on speculative buildings

Background — Chapter 427B provides for a five-year partial property tax exemption for industrial property, warehouses and distribution centers. In some instances where the building is built by a developer for speculative purposes, it may be beneficial for the developer to delay the exemption so that it can be included in a financing package to the buyer. The resolution would allow the exemption to be delayed for up to three years.

Resolution — Chapter 427B should be amended to allow the period of the partial property tax exemption to begin when the building is occupied by the tenant up to three years after construction.

Port authority

Background — Last session, the IDC and the Governor proposed enabling legislation to allow for the establishment of port authorities in Iowa. While most port authorities are located in areas with substantial commercial waterway activity, it was felt that the concept might be adapted to assist with Iowa's economic development efforts and transportation cost problems. Several meetings were held between staff at the IDC, Department of Transportation, Department of Revenue and the Governor's office to examine the mechanics of an Iowa port authority system. It was decided the subject is very complex with many implications and that, if anything, a formal task force should be established to determine the best course of action.

Policy statement — The IDC is interested in the possibility of establishing port authorities in Iowa as a means of advancing economic development. The IDC encourages and offers assistance to any efforts by the Governor, Legislature, other state agencies or private organizations to develop port authorities.

Coordination of economic development efforts

Background — The importance of economic development has resulted in an expansion of various economic development efforts. Several groups, including the Legislature, have expressed concern that as the number of programs and entities involved has grown, coordination of these efforts has become more difficult. A recent inventory prepared by the IDC Research and Development Group indicates that there are at least 78 public and private entities involved with economic development to some extent. This indicates the possibility of confusion to businesses and individuals seeking economic development assistance and perhaps duplication of services.

Policy statement — A recent inventory prepared by the IDC staff indicates that there are at least 78 entities involved with economic development. While the IDC is supportive of economic development efforts by various organizations, these efforts should be coordinated to achieve the maximum benefit for the state. The IDC is supportive of efforts by the Governor and the Legislature to examine the better coordination of economic development efforts and offers its assistance.

New ag research grants awarded by the Iowa High Tech Council

Three grants totaling $118,591 have been awarded by the Iowa High Technology Council, which provides state funds for research with the potential to improve agriculture and create jobs.

A grant of $35,986 was approved for Dr. William J. Owen of Iowa State University to develop a computer data base to help keep track of diseases in Iowa's livestock industry and analyze them. Dr. Owen has found indications that farmers spend more on vaccines and feed additives than animal losses justify and the project would generate information that could lead to cost savings.

Dr. Earl Hammond and another ISU researcher are working with Kemin Industries of Des Moines on a cheaper way to produce propionic acid, now used as a preservative in bread. Lower production costs would allow the use of propionic acid as a grain preservative. The High Tech Council awarded $45,157 for this research project.

Grain Processing Corporation of Muscatine and Dr. Robert F. Andrews, Jr., of ISU are investigating ways to increase the efficiency of an enzyme used in grain processing which would lower production costs for ethanol, corn syrup and other wet milling products. Support from the council totals $37,448.

Since putting out a call for new proposals for the $1 million it will award as grants to educational institutions for research that provides economic benefits to industry, business or agriculture, the Iowa High Technology Council has received 48 proposals.

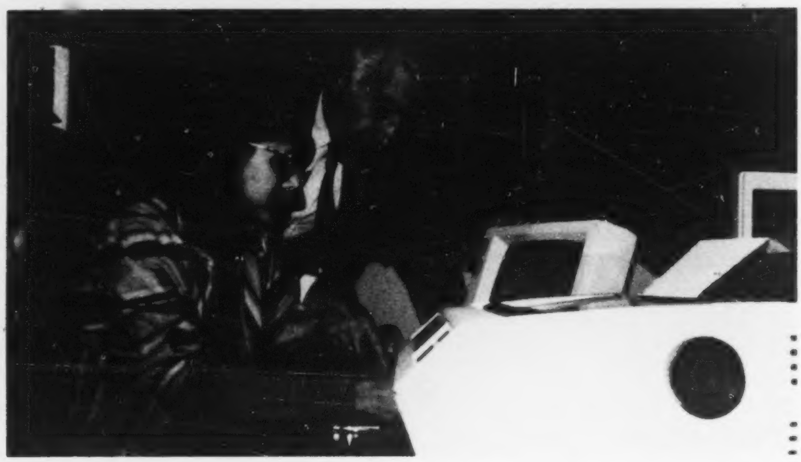
Nurturing the arts

The Iowa Arts Council is offering a low-cost program to help small Iowa communities nurture the arts. Called the Touring Arts Team (TAT), the program provides towns of 1,500 population or less with two days of workshops conducted by professional musicians, visual artists, actors and writers.

Each summer, TAT visits approximately 15 Iowa communities, working with citizens of all ages in a variety of art forms. The program was initiated in 1977 and has served 102 different Iowa towns in 64 counties. In many of these towns, the team has been the start of local theatre groups, reading clubs and other ongoing arts activities.

Application deadline for the 1985 Summer program is March 31. For more information and application forms, contact Carolyn Truslow, education coordinator for the Iowa Arts Council, at 515/281-8350.

Iowa's voice in Europe



Every Iowa manufacturer has a sales representative in Europe, and that person is Paul Wagner, director of the Iowa Development Commission's European Office located in Frankfurt, West Germany.

During a recent trip to Iowa, Wagner talked about the activities of the European Office, and how companies can utilize their services.

According to Wagner, the European Office concentrates its activities in two major areas — encouraging joint ventures and foreign investments in Iowa and assisting Iowa manufacturers to initiate and/or expand their export programs.

"The average European prospect," states Wagner. "is looking for an American product or business. Whether that product or business is located in Iowa or some other state really isn't that important."

Wagner and his associate, Christina Van der plas-Nau, establish and maintain contacts with exporting agents and business representatives throughout Europe. "It is very important for us to establish and maintain personal contact with these business representatives," states Wagner. "In Europe, the personal approach is very important, and it provides us with the opportunity to create an awareness of Iowa and its products."

Prime European marketing tool is the trade show. As Wagner states it, "Especially in the area of food processing, it is vital to be represented at the major trade shows. In fact, one cannot afford to be left out." For example, at the SIAL show in Paris last June, over 63 countries were represented, while over 193,000 buyers attended.

Jack Bailey, director of the IDC, concurs, "In five days at a major exhibit, you can make the contacts that would require a year using the conventional American method of individual calls."

The strength of the dollar over the last several years has had an adverse affect on Iowa trade exports. However, it may help in the area of foreign investment. As stated in a recent article in the *Cedar Rapids Gazette,* "The United States is considered a 'safe haven' with no (violent) political upheaval. That, coupled with high investment returns, encourages foreign investment within the borders of the United States, which puts more money into circulation. It may also have kept interest rates lower than they might have been without foreign investments."

"Most medium-sized firms in Europe," states Wagner, "need to find partners or consider a joint venture in order to invest in American products or businesses. Our job is to make contacts with these firms and assist them to find Iowa companies that are interested in the same thing."

Larger firms have the ability to make their investments on their own. "I keep in contact with those firms in Europe that have the capability to make foreign investments to keep them apprised of the investment opportunities in Iowa." This type of opportunity was recently realized with the acquisition of the Souvenir Group in Cedar Rapids by Bemrose of Derby, England. According to Robert E. Yaw, a consultant involved in the negotiations, Paul Wagner's "guidance and counsel was of invaluable help in my negotiations with Bemrose, and it will be of continuing importance to my successors because of our involvement in the UK and Western Europe will be compounded."

Iowa companies interested in establishing a trade program and/or investigating opportunities in the area of joint venture should contact the International Division of the IDC's Marketing Group, and this information will be forwarded to Paul Wagner at our European Office.

International business leads

Call 515/281-3581 for more information

Ultrasonics — A German firm is looking for a partner with a strong marketing department, or an interest in establishing one, for the distribution of its ultrasonic cleaning, welding and drilling machines. The cooperation would evolve into manufacture of the ultrasonic machinery under license. *(G123-0336L)*

Packaging — A French engineering company that specializes in designing and developing machinery for the packaging industry is seeking to license the manufacturing rights for both the machinery and the plastic-packaging products developed and patented by the firm. The products line consists of thermo-forming and thermo-sealing machines used extensively in pharmaceuticals, food processing and home appliances. Also available for licensing is a newly-developed, highly-effective ice-cube tray for intensive use. *(F23-2730L)*

Relays — A German manufacturer of electronic relays and controls is seeking a U.S. distributorship for its products. Cooperation would eventually evolve into a joint venture to manufacture the products directly in the United States. The German firm was established in 1961 and employs about 100 workers. *(G53-4236J)*

Packing material — A Spanish company is interested in pursuing a joint venture or licensing agreement with a U.S. firm. The Spanish company is a manufacturer of laminated flexible packing material used extensively in meat packing, as well as in the medical field. *(E74-3030JL)*

Automotive parts — A French forging company is looking for a joint venture or financial participation with a similar U.S. company. The French company produces hot and cold forged parts for the automotive market with highly automated processes. The company employs 800 people and lists sales of over $100 million. *(F74-3134JA)*

Locking system — A French company is seeking to entertain a licensing agreement or a joint venture with a U.S. firm. The French firm is offering the patented technology of their integral peripheral locking system for closures. The system, while unique and simple, is highly effective in preventing break-ins. *(F74-3234JL)*

Highway maintenance equipment — A French firm is seeking a joint venture partner who could distribute and manufacture products for highway maintenance, including any level mowing and brush-cutting tasks. All equipment works by flailing methods. The French company presently employs 150 people. *(F74-3335J)*

Water flow controls — A German manufacturer of water flow controls and leak suppression devices is seeking distributors for its products. The cooperation with a U.S. firm eventually would evolve into assembly and manufacturing. *(G113-8034J)*

Safes, vaults — A Swiss manufacturer of safes, vaults and other banking installations is interested in cooperating with a U.S. firm for exchange of technology and possibly a joint venture. *(CH113-8134J)*

Pipelines — An Austrian company is interested in a joint venture with an Iowa business. The Austrian company has developed a new method of controlling water pipeline systems. The product features an electronic meter installed in a van that detects and measures leaks in community water supply systems. *(A103-7738J)*

Coupling wheels — An Austrian firm is interested in finding an Iowa company to market, or produce under license, its special coupling wheel for tractors. The company has sales rights in the U.S. for the coupling. The wheels can be attached by one person on soft ground. *(A103-7835L)*

Kitchens — A leading German kitchen-furniture manufacturer is looking for kitchen specialists to act as importers and distributors. Future cooperation likely will involve final assembly. *(G113-8224J)*

Nozzles — A German firm is seeking a U.S. licensee for production of nozzles that disperse liquids with or without solid contents, and for production of atmospheric evaporators of liquid carbon dioxide. *(G113-8434L)*

Hoists — A Swedish manufacturer of hoists for materials and personnel is seeking a joint venture partner. The firm lists sales of $4 million and is looking for adequate distribution of its line. *(S113-8535J)*

Plastic machinery — A well-reputed German firm is interested in finding a suitable U.S. partner for the development and production of plastic thermoforming machinery. The German firm was established in 1971, has 60 employees and lists annual sales of $4 million. The German firm will provide the know-how and capital. *(G123-0130J)*

Luminous road and advertising panels — A French company is seeking a partner for a joint venture or licensing agreement for the manufacturing and marketing of large size luminous road and advertising panels including their patented wind-resistant fixed-message blade panels. The firm was established in 1958. *(F123-0739JL)*

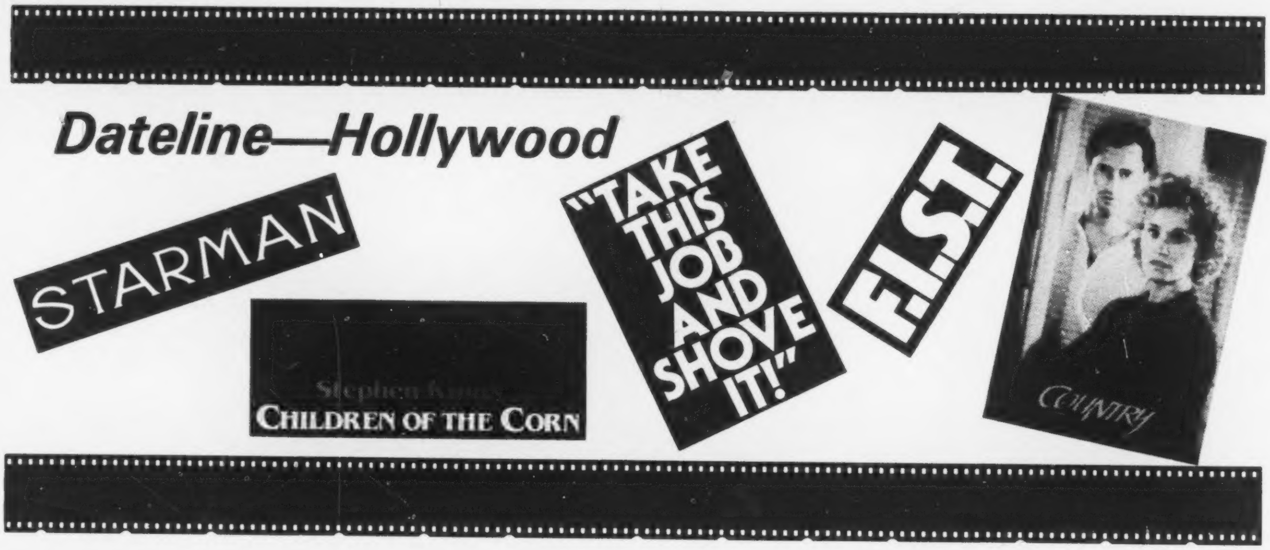
Aluminum flight cases — A Danish firm is looking for a joint venture partner to manufacture and distribute their aluminum flight cases which are impact resistant and can be adapted to custom-made needs. *(DK123-0931D)*

Plastic tools, molds and dies — A German manufacturer of sophisticated production molds, tools and dies for the plastic industry is seeking a joint venture partner. The company was founded in 1968 and has 35 employees. *(G24-1235JL)*

Ring binders — A German manufacturer of ring binders is interested in entertaining a joint venture with a U.S. firm. The binding wire is plastic coated. Also available are their laminating machines. *(G44-1928J)*

Concrete paving blocks — An Austrian firm is seeking a suitable joint venture partner for the manufacturing and distribution of concrete paving blocks for roadways, parking lots and sidewalks. The blocks are made in different shapes and colors to accommodate any landscaping requirements. *(A44-1832D)*

Dateline—Hollywood



Rumor has it that the motion picture industry is moving out of Hollywood. And, according to a recent survey conducted by the Iowa Development Commission's Film Office, at least 47 states, as well as the Virgin Islands, are gearing up to lure some of that business their way.

Why is "Hollywood" spreading out? Economics. Movie studios and film producers are finding that location shooting is no longer more expensive than studio work. For this reason, production companies are using outside resources, such as state agencies, to help them find locations that meet the filmmaker's needs.

The result — everybody is trying to grab a piece of California's movie industry. In fact, according to a study by the Los Angeles Film Development Commission as reported in the December 10, 1984 issue of *Time* magazine, the state of California has lost $1.6 billion to other states between 1979 and 1982. Since filmmaking is a lucrative, non-polluting and glamorous business, other states are aggressively marketing themselves to capture some of those "Hollywood" dollars.

In Iowa, motion picture activity has been restricted to six major box office productions within the past eight years, plus numerous productions of television commercials. However, Iowa's assets as a potential film location has made an impact on those in the business, and interest, as well as contacts from production companies, has zoomed over the past two years.

Recent activity includes the filming of scenes for the science fiction film, "Starman." Released in late 1984, the film used locations in six different states, including scenes filmed near Iowa City last June. Consequently, the Iowa Film Office received a location assistance credit in the movie.

This type of film credit was also garnered for assisting the production crew during the filming of "Country." The film, which premiered at the New York Film Festival last fall, has presently earned $8 million nationally in box office returns. In addition, "Country" has established itself as the first in a trend of motion pictures with similar messages, and possibilities exist for several Academy Award nominations. In Iowa, the communities surrounding the film location (Cedar Falls/Waterloo) are still feeling the impact from the $3.2 million pumped into their communities.

And, now tentative plans have been revealed to film a feature length motion picture in the Muscatine/Davenport areas during the Summer of 1985. According to Wayne Brouhard, producer of the film, "The film, "Summer Kill," is budgeted at nearly $1.5 million. At this time, we figure that we will hire nearly 150 people locally during the production."

"Iowa's experience in the motion picture business has been rewarding and profitable," states Wendol Jarvis, film manager of the Iowa Film Office. "While it is true that the economic benefits derived from the production of a film are relatively short-term in comparison to the establishment of a new manufacturing plant, these benefits are nevertheless considerable and sizable enough not to be ignored. Furthermore, the publicity garnered from such an endeavor is also worth something."

Today, Iowa finds itself in an enviable position . . . that of being a leading location for the shooting of farm-related product commercials for television. These productions add several million dollars into the Iowa economy annually. It is a relationship that Iowa has nurtured over many years, but it is now being threatened by the aggressive promotional efforts of other midwestern states with rural locations.

The recent establishment of the Iowa Film Office should help Iowa maintain its share of the film and videotape market, and perhaps expand on it. The Film Office will sell Iowa's assets — its beautiful locations — its outstanding and efficient business and industry — its productive and friendly people. The results — a positive economic impact in the form of more jobs, more revenue and positive exposure for the state as a whole.

Iowa Ag & Business Indicators

Compiled by the Iowa Development Commission

Labor Demand and Supply[1] November, 1984

Service Areas	Individual Placements	New Applicants & Renewals	Service Areas	Individual Placements	New Applicants & Renewals
Ames	172	368	Iowa City	169	974
Atlantic	84	252	Keokuk	66	262
Burlington	203	846	Marshalltown	104	404
Carroll	19	173	Mason City	275	778
Cedar Rapids	485	1,918	Muscatine	34	461
Centerville	30	287	Newton	120	552
Charles City	4	10	Oskaloosa	13	256
Clinton	159	722	Ottumwa	105	798
Council Bluffs	773	1,463	Sheldon	40	142
Creston	24	172	Shenandoah	26	161
Davenport	531	2,393	Sioux City	516	1,733
Decorah	15	135	Spencer	45	288
Des Moines	1,074	3,126	Storm Lake	45	219
Dubuque	238	1,393	Waterloo	190	1,265
Fairfield	39	221	Webster City	237	163
Fort Dodge	288	713			
Fort Madison	89	312	STATEWIDE	5,528	16,941

[1] All new applicants and job openings listed with Iowa Department of Job Service

U.S. Consumer Price Index

	Oct. 1984	Oct. 1983
All Urban Consumers (1967 = 100)	315.3	302.6

U.S. Composite Construction Cost Index

	August 1984	August 1983
U.S. Composite Construction Cost Index (1977 = 100)	163.2	158.4

Business Data

	10/84	10/83	10 mos./84	10 mos./83
New Car Registrations	8,680	8,228	75,902	76,171
Iowa Savings & Loan ($000,000)				
Total Loans Closed	49.9	44.3	551.8	426.2
Savings	37.2	8.7	291.3	656.7
Work Force (000)	1,376.0	1,377.8	1,376.0	1,363.7
Unemployment	56.1	60.5	67.4	86.5
Rate (% of work force)	4.1	4.4	5.0	6.4
Employment	1,320.0	1,317.2	1,291.8	1,277.1

Value of New Dwellings[1] ($000)

	11/84	11/83	11 mos./84	11 mos./83
Ames	$ 428.0	$ 1,330.0	$ 5,642.4	$ 6,676.0
Bettendorf	595.5	497.1	8,635.6	7,670.0
Burlington	0	0	1,147.0	1,791.3
Cedar Falls	84.3	148.1	1,578.6	1,617.2
Cedar Rapids	330.0	401.3	4,927.7	2,040.1
Clinton	0	120.0	345.0	1,189.5
Council Bluffs	520.0	85.9	6,682.0	2,854.5
Davenport	675.5	448.0	8,988.6	8,171.4
Des Moines	694.5	232.4	26,591.1	11,522.2
Dubuque	190.3	0	2,221.6	1,112.5
Fort Dodge	128.0	0	5,070.5	1,209.3
Iowa City	583.1	1,191.8	16,485.9	29,745.2
Keokuk	132.0	33.0	740.0	388.0
Marion	69.6	60.0	1,321.0	925.7
Marshalltown	0	850.0	666.0	2,089.0
Mason City	185.2	267.0	4,396.0	3,273.3
Muscatine	0	386.0	1,119.0	6,067.4
Newton	38.5	67.0	374.3	307.0
Ottumwa	40.0	0	510.6	520.0
Sioux City	190.9	190.6	2,227.4	2,274.9
Urbandale	5,030.1	485.6	19,446.8	6,827.3
Waterloo	0	583.6	1,190.8	3,016.1
W. Des Moines	4,105.3	993.0	35,116.3	15,451.5
Total	**$ 14,020.8**	**$ 8,370.4**	**$ 155,424.2**	**$ 116.739.4**

[1] Single, two-family and multiple residential dwellings, based on housing permits issued.

Farm Retail Price Spreads

	Sept. 1984	Sept. 1983
Beef, Choice:		
Retail price (cts./lb.)	235.2	234.7
Net carcass value (cts.)	139.3	136.1
Net farm value (cts.)	131.6	125.3
Farm-retail spread (cts.)	103.6	109.4
Pork:		
Retail price (cts./lb.)	163.6	163.9
Wholesale Value (cts.)	111.7	103.4
Net farm value (cts.)	75.0	72.4
Farm-retail spread (cts.)	88.6	91.5
Dairy Products:		
Retail cost (1967 = 100)	254.9	250.2
Farm value (1967 = 100)	259.1	263.8
Farm-retail spread (1967 = 100)	251.2	238.2
Eggs:		
Retail cost (1967 = 100)	178.6	193.3
Farm value (1967 = 100)	182.6	217.1
Farm-retail spread (1967 = 100)	172.8	158.8

Personal Income Quarterly Periods

	1984		1983	
	I	II	I	II
Personal Income ($000,000)	35,079	34,515	30,722	30,470

Stock Index

	Iowa*	Dow Jones Industrial
Sept., 1984	214.98	1,206.71
Oct., 1984	211.71	1,207.38
Nov., 1984	203.71	1,188.94

*Robert C. Westlund, Piper, Jaffray & Hopwood, Inc. (1967 = 100)

Average Price Received by Farmers

	11/84	10/84	11/83
Corn, bu.	$ 2.51	$ 2.56	$ 3.11
Soybeans, bu.	5.99	5.99	7.86
Oats, bu.	1.83	2.02	1.87
Hogs, cwt.	47.20	44.10	37.30
Beef cattle, cwt.	55.00	52.90	52.40
Calves	54.70	53.90	56.10
Milk (whls), cwt.	13.80	13.60	13.60
Sheep, cwt.	15.70	14.00	12.60
Lambs, cwt.	64.00	63.50	53.90
Eggs (market), doz.	.49	.37	.67
All hay, ton baled	59.00	57.00	70.00
Turkeys, lb.	.55	.48	.42

Average Price Paid by Farmers

	11/15/84	11/15/83
Beef cattle concentrated, 32-36%	$ 11.70	$ 14.60
Hog feed, 38-42% protein	12.80	17.00
Soybean meal, 44% protein	9.90	15.50
Dairy feed, 16% protein	170.00	220.00
Poultry feed, layer ration	190.00	205.00

Commodity Feed Price Ratios

	11/15/84	11/15/83
Hog — corn[1]	18.8	12.0
Beef cattle — corn[1]	21.9	16.8
Egg — feed[2]	5.7	6.8
Milk — feed[3]	1.62	1.24

[1] Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.
[2] Pounds of laying feed equal in value to 12 eggs.
[3] Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Quad Cities initiate economic revitalization plans

The creation of a public/private partnership for economic development was announced recently by a joint committee of Quad City area Mayors, County Board Chairmen, representatives of area Chambers of Commerce, the Bi-State Metropolitan Planning Commission and the Quad-City Development Group.

Representing a consensus among community leaders on accelerating revitalization efforts, the partnership's initial action will be to retain the Fantus Company, a nationally recognized leader in the field, to develop an action plan for economic revitalization tailored specifically to the Quad City's needs.

According to Paul Mulcahey, chairman of the Rock Island County Board and of the Bi-State Metropolitan Planning Commission, "The program should pave the way for quick results in reversing the economic trends experienced locally during the past several years and plot a course of action to re-employ area residents."

And, Mayor Peart of Davenport added that "redefining all of our roles in economic development is a necessary task. I am pleased that we are beginning that effort rapidly and that we are doing it in partnership with the private sector."

The economic revitalization action plan will take approximately four months to develop and will consist of a review and recommendations regarding the organizations currently involved in area economic development; a detailed analysis of the labor force and skill levels the community has to offer a new employer; a marketing plan; targeting of industry groups most likely to utilize the area's locational advantages; and the design of an area-wide industry retention program.

The cost of this program is estimated at $60,000. Funding will be sought locally from four sources — the respective city councils and county boards; the private sector through contributions from area business; and Iowa's SDA IX and Partners in Job Training in Illinois, the organizations which administer the Job Training Partnership Act funds in the area.

DOT offers intercity bus service

A "hometown connection" to intercity bus service is being offered in a number of smaller Iowa communities, even though intercity buses no longer stop in those communities. The service is being offered as an experimental project by the Iowa Department of Transportation in cooperation with some of Iowa's regional transit agencies and intercity bus lines.

Under the experimental program, regional transit agencies provide service from smaller communities to cities with intercity bus terminals. Thus, persons living in areas which are not on intercity bus lines can ride regional transit agencies' buses to intercity terminals, and continue their trips from there. Persons can also take advantage of packaged tours offered through this service.

The area covered by the experimental program includes portions of Appanoose, Cerro Gordo, Davis, Hancock, Lucas, Mahaska, Monroe, Polk, Story, Wapello, Warren, Wayne, Winnebago and Wright counties. Regional bus schedules are coordinated with intercity bus schedules so persons do not have to wait long periods of time at bus terminals.

For more information about bus schedules, fares or how to take advantage of this program by those individuals living in the areas served by this project, call, toll-free 1/800/445-8683.

A taste of IOWA™ *slated for Kansas City*

Join us at the Radisson Muehlebach Hotel in Kansas City on April 11 as Iowa food processors display their wares during the Taste of Iowa show.

"A Taste of Iowa®" provides Iowa food processing companies with the opportunity to highlight their products, deliver their sales message and feasibly enhance their marketshare of the retail, institutional and food service sectors during the amiable atmosphere that has become synonymous with "A Taste of Iowa®."

Any Iowa food processing company wishing to take advantage of this aggressive program to increase sales in the Kansas City market area should contact 515/281-8515.

Available Buildings

This is not a complete list of all buildings available in Iowa. For further information, please call 515-281-3251.

Square Footage	Community	Former Use
10,000	Charles City	Spec Building
11,760	Manson	Industrial
12,000	Sioux City	Spec Building
12,500	Cherokee	Spec Building
13,200	Ottumwa	Commercial
16,500	Adair	Industrial
17,960	Dyersville	Industrial
20,000	Clinton	Spec Building
20,000	Maquoketa	Spec Building
21,000	Corning	Spec Building
21,205	Oskaloosa	Spec Building
22,000	Mason City	Heavy Industrial
22,500	Red Oak	Spec Building
23,000	Waverly	Spec Building
23,433	Mason City	Light Industrial **(Sold)**
26,925	Mason City	Light Industrial
27,500	Muscatine	Heavy Industrial
32,580	Sioux City	Light Manufacturing
33,500	Des Moines	Industrial
35,340	DeWitt	Manufacturing
40,000	Creston	Spec Building
41,250	Marion	Heavy Industrial
44,348	Osceola	Manufacturing
47,596	Boone	Heavy Industrial
49,474	Albia	Manufacturing
54,080	Oskaloosa	Industrial
54,240	Camanche	Industrial
63,408	Bondurant	Industrial
66,708	Johnston	Warehouse
68,628	Lenox	Industrial
72,000	Davenport	Light Industrial
85,000	Burlington	Heavy Manufacturing
90,000	Fort Dodge	Manufacturing
108,000	Waterloo	Heavy Industrial
108,694	Cedar Rapids	Light Industrial
120,500	Boone	Manufacturing
137,500	Centerville	Manufacturing
160,270	Albia	Industrial
169,000	Red Oak	Manufacturing
224,702	Sioux City	Warehouse
285,000	Maquoketa	Industrial

Iowa®
DEVELOPMENT
COMMISSION

IDC DIGEST
Feb. 1985 Vol. XIII - No. 2

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Mobile Microcomputer Laboratory brings bookmobile concept to computer instruction

Iowa State University's new Mobile Microcomputer Laboratory is designed to meet the growing needs of farmers, agribusiness people and others who are interested in microcomputers, as well as to instill computer instruction component into ISU's popular off-campus Master of Agriculture degree program.

The vehicle will be available to provide instruction throughout the state — anywhere between 12 and 20 people can get together and learn more about personal computers. According to Harold Crawford, assistant dean of ISU's College of Agriculture, it is a "mobile library of hands-on computer instruction."

Because the public part of the program must be self-supporting, a fee of $5 per person per hour of instruction will be charged. In most instances, 12 to 18 hours of classroom instruction is sufficient for a quality program. Two instructors from ISU will teach the class.

Instruction will be available at three levels, ranging from a class for those who have no knowledge of microcomputers to an advanced class for those who want to learn about specialized software for their situations.

The vehicle has been outfitted with about $42,000 in computer equipment, a loan from the ISU Achievement Foundation. It has TI, IBM, Zenith, Apple and Hewlett-Packard units, plus several printers and shelves full of software to use with each computer.

For additional information about the vehicle, including reservation forms, contact the local county extension office or Harold Crawford at 515/294-8454.

4/18/85 S2780-2

Digest

Iowa
DEVELOPMENT
COMMISSION

March/April 1985

WARDS
SHOES

"Main Street" Iowa

Industrial Expansions

AMOCO consolidates credit operations in West Des Moines

Amoco Oil Company has announced plans to transfer credit card operations currently performed at its issuance center in Chicago to the Amoco Credit Card Center in West Des Moines.

"The consolidation, which will be completed by August 1, 1985, is part of a continuing effort to stabilize the growing cost of the company's credit-card operations," according to J. A. Unnerstall of Chicago, Amoco's vice president for planning and administration. "This action will also help improve service to our customers and thus enhance the future of Amoco's credit cards."

According to Reed L. Clark, manager of the West Des Moines facility, the consolidation could bring as many as 50 new jobs to the area.

QUALITY BWJ MFG. CO. DIES

to open Des Moines plant

B. W. Johnson Manufacturing Company of Joplin, Missouri, will open a manufacturing plant in Des Moines that will eventually employ about 25 workers.

The Company has leased an existing building and plans to be operational by the beginning of April. According to Richard Mertens, president of the firm, the Des Moines location will allow the company, which manufactures rubber printing plates and steel rule cutting dies for corrugated cardboard boxes, to "better meet our market needs and to expand into other markets." Currently, the company's customers include Distinctive Packaging Co. of West Des Moines and Champion International of Des Moines.

AgriPro

NAPB buys Eldora seed plant

Nickerson American Plant Breeders (NAPB) has agreed in principle to purchase DeKalb-Pfizer's 200,000-unit capacity seed corn production plant in Eldora. Scheduled to begin operation immediately, the plant will serve as a production center for 10 of NAPB's corn hybrids, sold under the brand name of AgriPro.

The 30,000-square-foot facility will employ upwards of a dozen Eldora area residents. Production acreage planted to corn will also increase as a result of the AgriPro plant contracts to farmers in and around Eldora.

In addition to this acquisition, AgriPro operates a production/research soybean company in Ames.

NATIONAL BY-PRODUCTS, INC.
PROCESSORS OF ANIMAL BY-PRODUCTS

expansion planned for Des Moines plant

National By-Products will be using $4 million in industrial revenue bonds to expand the warehouse attached to the existing plant in Des Moines. The expansion project will include installation of the latest in animal by-product rendering equipment which, according to General Manager Stan Rutherford, represents "a whole new technology in rendering."

In addition to increasing the capacity of the plant, Rutherford said the low-heat, Danish-designed and manufactured equipment has a "significantly lower energy consumption" than the equipment currently in use.

Once the new equipment is operational, National By-Products plans to add eight to ten jobs.

FALCO
Fairfield Aluminum Castings Company

uses industrial revenue bonds for plant expansion

Fairfield Aluminum Castings Company has been provided with up to $2 million in industrial revenue bonds and an Urban Development Action Grant to expand their current facilities. The 33,600-square-foot expansion will incorporate a sand foundry and a permanent molding foundry. Eventually, 40 new jobs will be created as a result.

BOHLMANN Incorporated

expands both Denison plants

Bohlmann Inc. has added small additions to both of their Denison facilities. Some 3,740-square-feet has been added to the original plant which produces a line of picnic tables, park benches, bird baths and ornamental products. A smaller addition to increase production space has been completed at the newer plant which produces livestock waterers and feeders. Both plants currently employ 22 full-time and four part-time workers.

PARR FILTERS

to be manufactured at new Winterset facility

Parr Manufacturing Inc. of Des Moines, manufacturers of automotive fuel filters and fuel system components, has constructed a new 30,000-square-foot satellite plant on land purchased from the Winterset Development Commission. Employment for the new facility will be 40 persons initially, with plans to hire an additional 40 workers by spring.

Occupation Medicine Clinic established

The Department of Internal Medicine at The University of Iowa Hospitals and Clinics has organized an Occupational Medicine Clinic for the referral of patients with occupational diseases or conditions. The goal of this new service is to provide referral, diagnostic and consultation services for physicians, employers and workers in Iowa and the Midwest.

According to James Merchant, M.D., professor in the departments of Internal Medicine and Preventive Medicine and Environmental Health, as well as acting director of the Occupational Medicine Clinic, "The clinic is especially helpful in establishing whether a disease or condition is work related."

Dr. Merchant states that occupational exposures in industry commonly involve noise, respirable dust, irritant gases and fumes, solvents, heavy metals and a wide variety of potentially hazardous chemicals. Farm exposures commonly involve noise, organic dusts, pesticides and herbicides, toxic and irritant gases and mold spores.

The clinic, which is staffed with physicians certified in internal medicine and in occupational medicine, uses a multidisciplinary approach to diagnose and evaluate patients. The multidisciplinary team may consist of social workers, industrial hygienists, medical toxicologists and environmental chemists. Other specialists are consulted as needed.

This team then uses special diagnostic resources to fully evaluate patients. Diagnostic procedures may involve pulmonary function evaluations with progressive exercise testing, bronchoscopy and bronchoalveolar lavage or biopsy. Other tests include blood chemistries for heavy metals, computed tomography and tests to measure concentrations of toxic chemicals in blood and urine.

The Occupational Medicine Clinic services include: baseline and periodic physical examinations; baseline and periodic laboratory testing involving routine or special evaluations; determinations of the work-relatedness of illness or injury; development of treatment programs for ill or injured employees; workman's compensation evaluations, consultations and impairment assessments; health surveillance for employees with current medical problems or with exposure to substances or activites with potential adverse health effects; occupational health and safety education; and consultation service to address unique needs -- for example, plant site visit for evaluation of specific hazards or to review current or proposed health or safety programs.

The clinic is also working with the Institute of Agricultural Medicine and Occupational Health of the Department of Preventive Medicine and Environmental Health in developing an outreach program to the manufacturing and agricultural sectors in Iowa and the Midwest. The program, according to Dr. Merchant, is designed to provide industrial hygiene and occupational safety services, as well as occupational health and preventive medicine education programs for employers and workers.

For patient referrals, telephone consultations or more information about the Occupational Medicine Clinic, call 319/356-2927 (clinical) or 319/353-4872 (outreach).

Henry Guthrie of Chariton underwent an evaluation for miner's lung in the Occupational Medicine Clinic. Members of the team evaluating Mr. Guthrie included Martin J. Sepulveda, M.D. (left), director-designate of the clinic; Rachel Scott, M.D. (center), resident physician; and James Merchant, M.D. (right), acting director of the clinic.

IPDC invests in AbaSys, Inc.

The Iowa Product Development Corporation (IPDC) has issued a letter of intent to participate in the financing of AbaSys, Inc. of Dubuque, developers of private sector administration computer software programs.

AbaSys, Inc. received a commitment of up to $50,000, which will be combined with similar funding from the City of Dubuque and several businessmen from the Dubuque area.

Created as an Iowa corporation in May of 1983, AbaSys has developed the Keystone Church Administration System, the Keystone School Administration System and the Keystone General Accounting System (which can be used in conjunction with the other systems or independently).

The Keystone Church Administration System is designed to fill the information needs of a parish (possibly with a parish school) while being flexible and easy to use. Used in conjunction with WordStar (word processing) and SuperCalc or Lotus 1-2-3 (spreadsheet), information can be presented in virtually any way it is desired. In addition to the basic program, the Keystone Sacramental Records System is designed to be an easy to use "filing" system for a parish's sacramental records.

The Keystone School Administration System is designed to fill the information needs of an elementary or secondary school. Data can be recorded in the areas of school census, scheduling, tuition billing, attendance/conduct reporting, grading, personal interests, alumni/fund raising, general ledger, cash disbursements, receipts, accounts payable/receivable and payroll. Again, the system has been dveloped to be flexible and allow information to be presented in virtually any way.

The Keystone General Accounting System is designed to be a flexible, easy to use, yet comprehensive business accounting system. Used in conjunction with SuperCalc or Lotus 1-2-3, information can be presented in virtually any way the user desires.

While following established accounting standards ranging from double entry accounting to audit trails, the system is extremely adaptable to the accounting needs of the individual business. Menu screens are simple and easy to use. Transactions are separated into general journal, cash receipts, cash disbursements, accounts receivable, accounts payable and payroll. Diarized and repeating entries are used in order to facilitate entry.

AbaSys, which currently has a staff of eight full-time employees, is now marketing their unique computer software packages throughout the country. "With the initiation of a strong marketing plan," states Mary C. Trieweiler, marketing coordinator, "we have received a very strong inidication that our products fulfill a need in the marketplace."

AbaSys, Inc. has recently relocated into larger facilities, and plans to increase their staff by the end of 1985.

Agri-Component Exposition International

May 14 - 16, 1985
Veterans Memorial Auditorium
Des Moines, Iowa

If you supply agri-components, materials or services to agricultural equipment manufacturers, this is the place to show, demonstrate and sell your latest products to Original Equipment Manufacturer (O.E.M.) buyers.

Engineers, designers, purchasing managers and buyers will receive special invitations to attend. In addition, leading agricultural industry associations are planning meetings, seminars and conferences each morning of the show.

Exhibitors will show and sell a wide range of components, parts, accessories, special products and services for the farm equipment manufacturing industry. Exhibits will include drive shafts, tillage tools, hydraulic devices, tractor cabs, gear boxes, forgings, fuel tanks, cultivating tools, chemical spraying systems, PTO components and sealants, to name a few.

For more information about Agri-Component Exposition International, contact Intercontinental Trade Shows, Inc., 5845 Horton, Suite 201, Mission, Kansas 66202 or call (913) 262-4513.

Revitalizing downtown Iowa

Main Street — at one time, everyone's neighborhood — the heart and soul of each community. More than a marketplace, Main Street was the center of civic and social activity, and its buildings reflected not only the town's past but also its pride. In a very real sense, Main Street symbolized the community's identity and embodied its heritage.

Today, civic leaders in cities and towns throughout the United States are working to bring life back to Main Street. Main Street is being rediscovered, and its importance to the economic stability of a community is being fully realized.

Iowans are aware of the economic impact the downtown area has, and ongoing downtown revitalization programs have been initiated in most of the larger cities in the state. But, what about the smaller town?

"It's difficult for smaller Iowa communities to get the assistance and guidance they need to revive their downtown districts," states John Schaffner, group manager of the IDC's Community Resources Group. The Governor, in his condition-of-the-state message, and the Iowa Development Commission are both advocating the highly-successful "Main Street program."

What is the Main Street program?

Back in 1977, the National Trust for Historic Preservation launched a pilot program to develop a comprehensive strategy for economic revitalization that would emphasize Main Street's existing and historic assets. Three years of on-site involvement in all aspects of revitalization in three midwestern communities created the Main Street approach, a process that has been successfully used by scores of towns engaged in revitalization activities.

In 1980, the National Trust expanded the program by creating the National Main Street Center (NMSC), a Washington-based human resource and technical reference center, to disseminate nationally its strategies and solution to the problems of the older central business district in small cities. Recently, Scott Gerloff, director of NMSC, spoke to Iowans about the Main Street approach.

What is the Main Street approach?

The key to the success of the Main Street approach is its comprehensiveness. "Too often downtown revitalization efforts focus on only one or two areas," explained Gerloff. "By carefully integrating four key elements into a practical strategy, the Main Street approach produces dramatic short-term improvements, while causing fundamental changes that are critical to long-term revitalization success."

The foundation of the Main Street approach is the following four elements which are carefully orchestrated to create a positive, marketable identity for the downtown.

Organization — Establishing a consensus and cooperation by building partnerships that will allow the development of a consistent revitalization program and permit the emergence of effective management and advocacy of the downtown.

Promotion — Creating a positive image of the business district to attract customers and investors and rekindle community pride. Promotion includes the development of sophisticated sales events and festivals, as well as the creation of a consistent image through graphic and media presentations.

Design — Enhancing the visual quality of the downtown. Attention must be paid to all elements of the downtown environment: buildings, storefronts, signs, public improvements, landscaping, merchandising displays and promotional materials.

Economic restructuring — Strengthening the existing economic assets of the business district while diversifying its economic base. Activities include recruiting new stores to provide a balanced retail mix; converting unused space into housing, offices, entertainment or cultural facilities; and sharpening the competitiveness of Main Street's traditional merchants.

Timing is an equally vital element of the Main Street approach. Revitalization requires the careful realignment of every aspect of downtown, and this process takes time. "The Main Street approach is incremental," emphasized Gerloff. "Because downtowns developed in stages, it makes sense that they return to life in a similar fashion."

The Main Street program has been implemented into the economic development efforts in the states of Oregon, Colorado, Texas, Minnesota, Michigan, Massachusetts, Pennsylvania, North Carolina, South Carolina, Tennessee and Georgia. "If the funding becomes available," states Schaffner, "a committee composed of both private and public sector individuals will select five interested Iowa communities to pilot the project. But, as I said, we have to wait to see if funds will be appropriated during this session of the Legislature."

Economic Development Set-Aside Program

The Economic Development Set-Aside Program, which recently provided 11 business loan subsidies, awards interest rate reductions and in some cases, loan principal reductions to business and industry that cannot afford the prevailing market rates. This program was created through the use of federal funds available under the Community Development Block Grant, administered by the Iowa Office for Planning and Programming.

The federal funds, totaling about $2.5 million, are expected to create $43 million in private investment and retain or create 960 jobs.

White Farm Equipment Company of Charles City was awarded the largest interest rate subsidy — $960,000. According to Bob Terry, president of White Farm Equipment, "This is the shot in the arm we need to begin the consolidation in Charles City and in the process, retain 600 jobs and create 100 new jobs there."

The other projects receiving funds, the amount of the award, the total private investment in the project and the number of jobs are:

Keller Consulting Corp. in Vinton — fiber optics and military contracting; awarded $10,970 with $50,576 in private funds; 10 jobs.

GRC Fiberglass in Corwith — fiberglass fabricating; awarded $25,433 with $102,543 in private funds; 12 jobs.

Humboldt Development, Ltd. — downtown commercial redevelopment in Humboldt; awarded $290,000 with $1,025,000 in private funds; 55 jobs.

Plastics Recycling Inc. of Iowa Falls — manufacturer of recycled plastic products; awarded $203,880 with $924,542 in private funds; 35 jobs.

Hanson's Fancy Foods, Inc. of Mitchellville — specialty food producers; awarded $87,780 with $323,680 in private funds; 14 jobs.

Moravia Lumber Company in Moravia — a sawmill; awarded $500,000 with $1,986,570 in private funds; 38 jobs.

Sun Wise Systems Corporation of Sac City — zinc electroplating; awarded $34,355 with $123,000 in private funds; 7 jobs.

Lewerke Brothers of Northwood — cabinet maker; awarded $141,177 with $1,254,000 in private funds; 50 jobs.

EMW Groschopp Company of Sioux Center — small electric motor manufacturer; awarded $248,000 with $1,850,000 in private funds; 34 jobs.

E-Z Fuels, Ltd. of Sioux Center — bio-mass fuel producer; awarded $8,005 with $75,000 in private funds; 5 jobs.

The Office for Planning and Programming will be accepting additional applications for the remaining $1.2 million in loan subsidy funds, beginning March 15.

Legislative Update

The 1985 legislative session is well under way and economic development is consuming much of the debate and deliberations.

The Governor addressed several of the Iowa Development Commission's legislative priorities in his Condition of the State and Budget messages. The cornerstone of the Governor's economic development program — elimination of the sales and use tax on machinery and equipment (M&E) — is also the IDC's top priority. While there is disagreement on how to finance this $40-60 million item, chances for repeal of this tax appear promising. It is becoming increasingly apparent that repeal of the "M&E" tax will enhance Iowa's ability to retain the expansion of existing industry and compete for new industry such as General Motors' Saturn plant.

Two other IDC priorities — continue the phaseout of the personal property tax and utility rate incentives for new and expanding business — were also included in the Governor's program. In his budget recommendation, the Governor proposed a 34 percent increase in the IDC appropriation, including substantial increases for tourism and marketing.

The Legislature is in the process of adopting its own economic development plan using proceeds from a proposed state lottery. Some of the items under consideration from this funding source include additional funds for the export assistance; marketing efforts throughout the state; educational research and development; and outdoor recreation. The Legislature promises to act quickly on the lottery and its subsequently funded programs.

You may convey your thoughts on these issues by contacting your representative (House Lounge-(515) 281-3221) or senator (Senate Lounge-(515) 281-3371) at the Statehouse in Des Moines, 50319.

Israel — An attractive market for U.S. exports

The United States' share of the Israeli import market has hovered around 20 percent in recent years, with machinery, electronic equipment and agricultural products remaining the leading U.S. exports. However, this market share could appreciably increase with the passage of the proposed Free Trade Area (FTA) agreement currently being examined by the Reagan Administration and Congress.

An FTA would permit U.S. exports to compete more effectively in Israel with those from the European Community, especially after 1989, when the remaining EEC-Israel duties will be lifted. It would provide virtually free access for U.S. exporters to a billion dollar market with a great potential for expansion.

Israelis are oriented toward the United States, and American products are familiar and appreciated for their durability and reliability. U.S. manufacturers of metal working machinery, electronic components, electronic production and test equipment, computers and peripheral equipment, communication systems and aviation and avionics equipment should do well in Israel.

Beginning in 1981, the Israeli government and Israeli Export Institute (a non-profit organization financed by the exporters and the Government of Israel to analyze trade patterns and assist Israeli exporters) have encouraged Israeli firms to expand their efforts in the U.S. market in order to take advantage of the dollar's strength against western European currencies. With this in mind, many Israeli firms are also actively seeking joint ventures and licensing arrangements with American companies.

Upcoming trade mission and seminar

Governor Terry Branstad will be leading an Iowa Trade and Investment Mission to Israel, leaving on June 19 and returning on June 28. In preparation, the Iowa Development Commission and the International Trade Administration of the U.S. Department of Commerce are sponsoring an Israeli Trade and Investment Seminar.

The seminar, held in conjunction with the Des Moines Rotary Club Luncheon on Thursday March 21 at the Hotel Fort Des Moines, will provide current information on the trade potential created by the free trade area agreement with both Israel and the European Common Market.

Avraham (Buma) Shavit, managing director of Shavit Ovens in Israel, will be featured as the keynote speaker. Shavit is also the past president of the Manufacturers' Association of Israel and former chairman of the board of El Al Israel Airlines, Ltd.

Other featured speakers are Moshe Gur-Weinberger, director consul of economic affairs for the Government of Israel Investment & Export Authority, and Kathleen Keim, USDOC desk officer for Israel. David Goldman, an attorney with the Des Moines law firm of Black, Reimer and Goldman, will join the presentors for a panel discussion/question and answer session.

To register for the seminar or to gather more information about the Governor Branstad's Iowa Trade and Investment Mission to Israel in June, contact the International Section of the IDC's Marketing Group at 515/281-3581.

Trade mission set for New Zealand, Australia and Malaysia

Iowa business people will have an opportunity to explore the trade and investment potential in New Zealand, Australia and Malaysia during a trade mission scheduled in April.

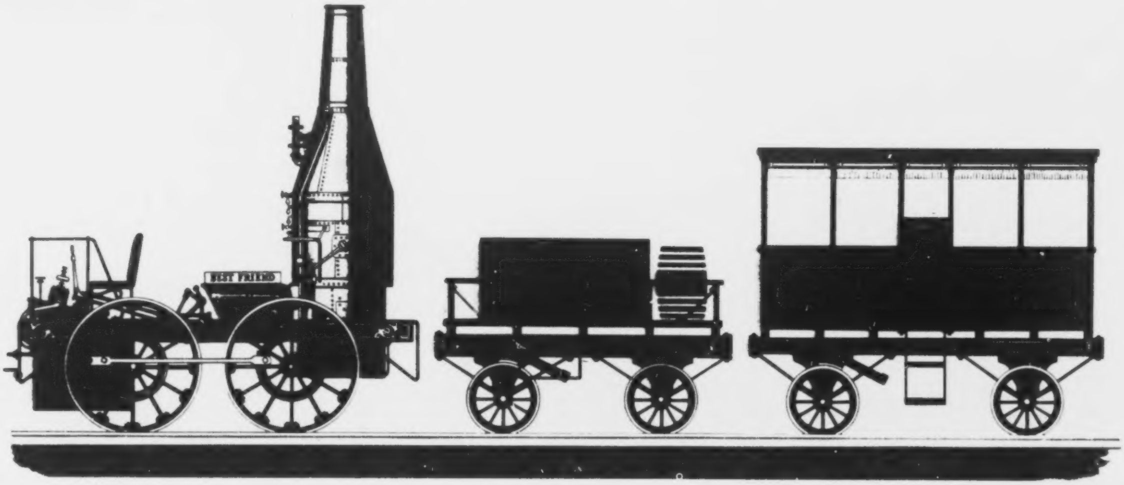
The expedition will leave Des Moines on April 26, arriving in Aukland, New Zealand, on April 28. After two days in New Zealand, the mission will cross the Tasman Sea to Australia, visiting Sydney on May 2-3, Melbourne on May 5-7 and Perth on May 9-10. The mission will then travel on to Malaysia, spending four days in Kuala Lumpur.

"We think the opportunities for Iowa firms are unlimited in these areas," states Max Olson, an international marketing manager for the IDC. "In the past, many Iowa firms have found trade missions to be an excellent way to penetrate foreign markets they've never entered before."

The IDC's trade missions are designed to help Iowa businesses find new markets, identify new customers and develop more export sales. The IDC, in cooperation with U.S. foreign embassies, take care of most of the details of the trips, including secretarial support, briefing from the foreign post and a schedule of business appointments for each mission member. This frees individuals to concentrate on seeking new business, notes Olson.

For more information, contact the International Section of the IDC's Marketing Group at 515/281-3138.

"Best Friend of Charleston" visits Centerville



During Appanoose County Community Railroad Days, being held in Centerville over the weekend of May 17, Iowans will have a rare opportunity to peer into the past and experience the "Best Friend of Charleston." This belching, puffing replica of America's first scheduled railroad train will join the Centerville area community in celebrating the grand opening of their own 11 mile track between Centerville and Moulton.

The "Best Friend" was ordered by one of the directors of a fledgling rail line that is now part of the Norfolk Southern Corporation. When it arrived in Charleston in October, 1830, businessmen promptly dubbed it "Best Friend of Charleston." They believed it provided the means of making the city a great seaport since the railroad meant dependable transportation between the port and the fast-developing inland areas.

The initial run of the "Best Friend" was made on Christmas Day in 1830 — "Smoke swirled from the bottle-shaped boiler and smokestack. Steam hissed into the inclined cylinders. Pistons began to move and the iron wheels to turn on the historic trip. Passengers cheered as the 'Best Friend' headed down the track. They gripped the sides of the cars as the locomotive gathered speed.

Away they flew — as one passenger described it — 'on the wings of the wind at the speed of fifteen to twenty-five miles an hour, annihilating time and space and leaving all the world behind.'"

The "Best Friend" is just a part of the Appanoose County Community Railroad Days celebration. The Norfolk Southern is also sending along an exhibit car of railroad memorabilia, and the community, which obtained $2.2 million in financing to build its own rail connection, will be displaying their EMD Model SD45 Diesel Locomotive, which will haul freight for the ACCR.

Uniform school opening bill signed into law

As of the 1986-87 school year, Iowa elementary and secondary schools will not begin classes until September 1 or later.

The bill, which was signed by Governor Terry Branstad in early March, has a provision that lets school districts seek permission to start earlier. To win an exemption, however,a district would have to petition the Department of Public Instruction and demonstrate that the September 1 schedule would cause "negative impact on educational quality."

The later school opening date should substantially benefit Iowa's tourism industry. Currently, tourism is the third largest industry in Iowa, behind agriculture and agriculture manufacturing. It generates $1.6 billion in sales and employs 48,500 persons.

J. Glasnapp, general manager of Adventureland and past president of the Iowa Travel Council (as stated in a recent article in *The Cedar Rapids Gazette*), expects the later school start will produce $30 million more annually in gross sales for the Iowa tourism industry. "That, he added, translates into $1.2 million just in sales tax, and 1,100 new jobs."

Iowa Ag & Business Indicators

Compiled by the Iowa Development Commission

Labor Demand and Supply[1]

January, 1985

Service Areas	Individual Placements	New Applicants & Renewals	Service Areas	Individual Placements	New Applicants & Renewals
Ames	65	536	Iowa City	145	1,597
Atlantic	298	327	Keokuk	44	544
Burlington	173	946	Marshalltown	256	706
Carroll	160	336	Mason City	174	911
Cedar Rapids	305	2,075	Muscatine	32	602
Centerville	44	319	Newton	55	400
Charles City	106	456	Oskaloosa	39	266
Clinton	97	899	Ottumwa	139	720
Council Bluffs	77	842	Sheldon	42	194
Creston	59	242	Shenandoah	23	208
Davenport	527	2,960	Sioux City	424	2,183
Decorah	9	234	Spencer	26	306
Des Moines	884	3,752	Storm Lake	84	332
Dubuque	202	1,787	Waterloo	563	1,998
Fairfield	98	306	Webster City	39	170
Fort Dodge	176	796			
Fort Madison	65	371	Statewide	6,763	33,763

[1] All new applicants and job openings listed with Iowa Department of Job Service.

U.S. Consumer Price Index

	Dec., 1984	Dec., 1983
All Urban Consumers (1967 = 100)	315.5	303.5

U.S. Composite Construction Cost Index

	October 1984	October 1983
U.S. Composite Construction Cost Index (1977 = 100)	163.0	158.4

Business Data

	12/84	12/83	12 mos./84	12 mos./83
New Car Registrations	5,442	7,624	88,129	90,804
Iowa Savings & Loan ($000,000)				
Total Loans Closed	55.6	57.9	668.6	525.1
Savings	96.7	82.0	439.2	741.8
Work Force (000)	1,322.8	1,321.4	1,356.4	1,358.5
Unemployment	67.3	64.4	67.1	82.9
Rate (% of work force)	5.1	4.9	4.9	6.1
Employment	1,255.5	1,257.0	1,289.4	1,275.6

Value of New Dwellings[1] ($000)

	1/85	1/84
Ames	$ 230.0	$ 0
Ankeny	118.7	0
Bettendorf	187.7	378.0
Boone	0	0
Burlington	0	0
Carroll	0	75.0
Cedar Falls	0	58.5
Cedar Rapids	87.4	150.8
Clinton	0	0
Council Bluffs	174.3	714.8
Davenport	1,426.8	28.4
Decorah	0	0
Des Moines	1,110.1	102.8
Dubuque	0	0
Fairfield	0	0
Fort Dodge	0	0
Fort Madison	0	0
Indianola	0	0
Iowa City	226.1	570.9
Keokuk	28.0	126.0
Marion	37.1	104.1
Marshalltown	0	0
Mason City	102.0	0
Muscatine	38.5	46.3
Newton	0	0
Oskaloosa	0	0
Ottumwa	92.0	0
Sioux City	53.5	62.2
Spencer	0	50.0
Urbandale	0	505.9
Waterloo	0	0
West Des Moines	4,748.5	177.3
Total	$ 8,660.7	$ 3,151.0

[1] Single, two-family and multiple residential dwellings, based on housing permits issued.

Farm Retail Price Spreads

	Oct. '84	Oct. 83
Beef, Choice		
Retail price (cts./lb.)	234.9	231.8
Net carcass value (cts.)	136.6	135.8
Net farm value (cts.)	130.2	127.0
Farm-retail spread (cts.)	104.7	104.8
Pork:		
Retail price (cts./lb.)	163.9	162.3
Wholesale Value (cts.)	101.3	99.8
Net farm value (cts.)	70.1	66.4
Farm-retail spread (cts.)	93.8	95.9
Dairy Products:		
Retail cost (1967 = 100)	256.1	250.1
Farm value (1967 = 100)	265.2	262.4
Farm-retail spread (1967 = 100)	248.1	239.3
Eggs:		
Retail cost (1967 = 100)	177.8	200.1
Farm value (1967 = 100)	171.2	228.3
Farm-retail spread (1967 = 100)	187.3	159.4

Personal Income Quarterly Periods

	1984		1983	
	II	III	II	III
Personal Income ($000,000)	34,515	35,041	30,470	31,619

Stock Index

	Iowa*	Dow Jones Industrial
December, 1984	213.77	1,211.57
January, 1985	233.64	1,277.72
February, 1985	234.07	1,284.01

*Robert C. Westlund, Piper, Jaffray & Hopwood, Inc.
(1967 = 100)

Average Price Received by Farmers

	1/85	12/84	1/84
Corn, bu.	$ 2.47	$ 2.44	$ 3.09
Soybeans, bu.	5.59	5.68	7.80
Oats, bu.	1.81	1.87	2.00
Hogs, cwt.	48.30	49.20	44.00
Beef cattle, cwt.	55.90	56.50	56.40
Calves	63.70	60.90	59.70
Milk (whls), cwt.	13.60	13.60	13.30
Sheep, cwt.	23.70	17.80	19.10
Lambs, cwt.	64.80	62.00	61.30
Eggs (market), doz.	.31	.40	.88
All hay, ton baled	57.00	61.00	81.00
Turkeys, lb.	.50	.56	.47

Average Price Paid by Farmers

	1/15/85	1/15/84
Beef cattle concentrated, 32-36%	$ 11.20	$ 14.90
Hog feed, 38-42% protein	12.50	16.60
Soybean meal, 44% protein	9.60	15.00
Dairy feed, 16% protein	172.00	225.00
Poultry feed, layer ration	185.00	205.00

Commodity Feed Price Ratios

	1/15/85	1/15/84
Hog — corn[1]	19.6	14.2
Beef cattle — corn[1]	22.6	18.3
Egg — feed[2]	4.0	8.8
Milk — feed[3]	1.58	1.18

[1] Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.

[2] Pounds of laying feed equal in value to 12 eggs.

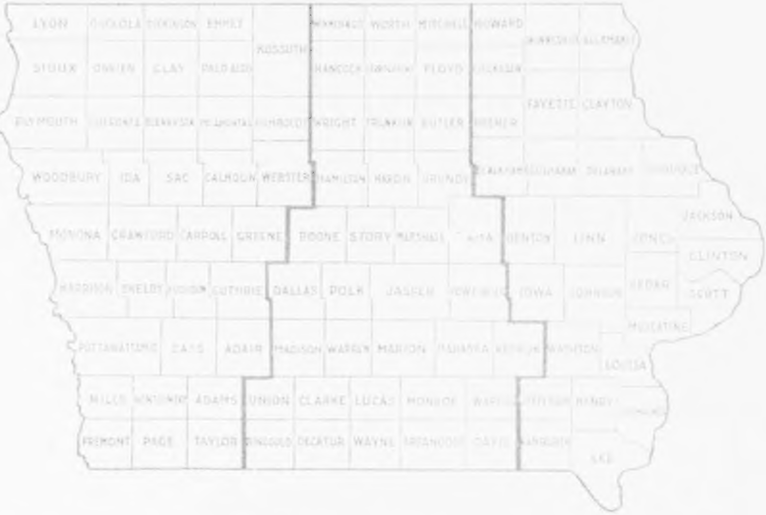
[3] Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Lewis joins Community Resources Group

Douglas S. Lewis has been named as Western Iowa regional manager for the IDC's Community Resources Group. Prior to joining the IDC, he served as a research assistant on the staff of Iowa Senator Charles Grassley and as an export division trainee for John Morrell and Company in Northfield, Illinois.

A graduate in business administration from Hastings College, Lewis has also studied in Tokyo, Japan, at the International Christian University and Sophia University.

Lewis joins James B. Kersten, Central Iowa regional manager and Julie R. Blum, Eastern Iowa regional manager, in assisting communities in their economic development efforts. According to John Schaffner, Community Resources group manager, "The regional managers are a vital connecting link between every community and the Iowa Development Commission. Local government entities, Chamber personnel and industrial or economic development organizations can all plug into IDC resources through their regional managers."



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515/218-8547

James Kersten
515/281-8481

Julie Blum
515/281-3477

John Schaffner, group manager
515/281-5916

Linda Scott, group secretary
515/281-3536

Barbara DuVall, statewide
coordinator, Community
Betterment Program
515/281-3803

Miller appointed as new commissioner

J. Douglas Miller, director of development for Palmer Communications Incorporated, has been appointed to serve on the Iowa Development Commission by Governor Terry E. Branstad, effective immediately.

Miller, a resident of Bettendorf, replaces Michael V. Dunn, serving the remainder of Dunn's term which expires on June 30, 1985. Dunn, a vice president of Farm Credit Banks, resigned the Commission after being transferred to Omaha from the Bettendorf area. He was appointed to the Iowa Development Commission in 1981.

Available Buildings

This is not a complete list of all buildings available in Iowa. For further information, please call 515-281-3251.

Square Footage	Community	Former Use
10,000	Charles City	Spec Building
12,000	Sioux City	Spec Building
12,500	Cherokee	Spec Building
13,200	Ottumwa	Commercial
13,600	Bellevue	Manufacturing
16,500	Adair	Industrial
17,960	Dyersville	Industrial
20,000	Clinton	Spec Building
20,000	Maquoketa	Spec Building
21,000	Corning	Spec Building
21,205	Oskaloosa	Spec Building
22,500	Red Oak	Spec Building
23,000	Waverly	Spec Building
25,248	Marshalltown	Light Manufacturing
26,925	Mason City	Light Industrial
27,500	Muscatine	Heavy Industrial
32,580	Sioux City	Light Manufacturing
33,500	Des Moines	Industrial
37,500	Spencer	Manufacturing
40,000	Creston	Spec Building
41,250	Marion	Heavy Industrial
45,000	Oelwein	Warehouse
47,596	Boone	Heavy Industrial
49,474	Albia	Manufacturing
54,080	Oskaloosa	Industrial
59,000	Cedar Rapids	Light Manufacturing
65,105	Ottumwa	Industrial
66,708	Johnston	Warehouse
70,766	Forest City	Manufacturing
78,317	Fairfield	Manufacturing
85,000	Burlington	Heavy Manufacturing
90,000	Fort Dodge	Manufacturing
91,340	Story City	Light Industrial
108,000	Waterloo	Heavy Industrial **(Sold)**
120,500	Boone	Manufacturing
137,500	Centerville	Manufacturing
160,270	Albia	Industrial
169,000	Red Oak	Manufacturing
224,702	Sioux City	Warehouse
285,000	Maquoketa	Industrial

Iowa®
DEVELOPMENT
COMMISSION

IDC DIGEST
March/April 1985
Vol. XIV-No. 3

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Ronald H. Schechtman, v. chrm. ..... Carroll
E. Thurman Gaskill .... Corwith
David B. Hinton .... Des Moines
Karen Merrick .... Guttenberg
J. Douglas Miller................ Bettendorf
F. Forbes Olberg .... Cedar Rapids
Jack C. Pester .... Des Moines
Bill Riley .... Des Moines
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Gerald L. Weiner .... Sioux City

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Sen. John N. Nystrom .... Boone
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Rural Concern Hotline inaugurated

1-800-447-1985

Over 30,000 farmers in Iowa are projected to need financial management and counseling help. About 10,000 have more severe financial problems and need help this spring.

Governor Terry Branstad has asked several Iowa organizations to cooperate in providing assistance to farm families and communities in trouble because of the crisis in the agricultural economy.

The Rural Concern Hotline is a 24-hour-a-day hotline information and referral service staffed by trained workers. Information will be provided by cooperating groups and agencies through a system of referrals. The phone responders are trained to be supportive and to direct callers to people/agencies near them who can give them further help.

Specifically, telephone responders will help identify key problems of the client; explain alternative resources available; help clients to understand the process for getting help from the resources; suggest information the client should have ready for discussion with the legal, financial or human service professional; and make immediate connections to professional counselors when the client is in emotional crisis.

The toll free hotline is based at the United Way of Greater Des Moines. It is administered by the Iowa State University Cooperative Extension Service in cooperation with the Iowa Department of Human Services.

7/18/85

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Iowa
DEVELOPMENT
COMMISSION

May/June 1985

Industrial Expansions

PIONEER HI-BRED INTERNATIONAL, INC.

constructing new facility in Johnston

Pioneer Hi-Bred International, Inc. plans to construct a new microbial research and production facility in Johnston, north of Des Moines, at a cost of $3 million to $5 million. Operations in Durant, Iowa, and Portland, Oregon, will be consolidated in the new facility. The 16 employees at the Durant facility will be offered jobs at Pioneer's new Johnston facility.

The exact site of the new facility will be decided by June 1. The facility is being located in the central Iowa area to have access to developments at such learning institutions as Iowa State University in Ames. According to Joe Lebeda, divisional executive vice president of MGD, "Proximity to our research complex at Johnston and institutions such as Iowa State University will enable us to bring these new developments to the market much more efficiently."

FAWN VENDORS INC.

expanding Clive plant

Fawn Engineering Company has announced plans for a 30,000-square-foot addition to its Clive manufacturing plant, providing a 20 percent increase in manufacturing space.

The $75,000 expansion has been the result of a need for more manufacturing capacity, especially for production of a new generation of electronically controlled vending machines. These new machines, which went into production in February, have digital readouts and accept dollar bills.

The expansion gives Fawn a chance to "re-lay out" the entire operation, allowing its production lines to run at constant levels year-round. In addition, it provides a means of increasing job security for the more than 300 employees now at the Clive plant. According to David Ginsburg, manager for manufacturing, the expansion will add some jobs, but the exact number is uncertain.

Hy-Vee

moves into the Quad Cities

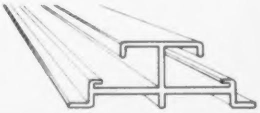
Hy-Vee Food Stores, Inc., the Chariton-based supermarket chain, plans to move into the Quad Cities later this year. The company plans to lease four former Geifman Food Stores in Bettendorf and Davenport, as well as in Rock Island and Milan, Illinois. The closest Hy-Vee stores are now in Muscatine and Iowa City.

John Rhodes, a Hy-Vee spokesman, said the decision to enter the Quad Cities market was made several months ago when Giefman announced it was closing. This decision gave Hy-Vee the opportunity to expand into another major market.

Superior PLASTICS INC.

open for business in Independence

Superior Plastics Inc., a division of Triangle Plastics, began production of shutters in the new Independence facilities last February. The firm employs 27 people, working three shifts. According to Jim Blin, president of Triangle Plastics, the new Superior Plastics factory was located in Independence because the city offered an interest rate buy-down and built a plant the company will rent for five years. Geographic location was favorable and the state's Jobs Training program was also a plus.



Pries Aluminum, Inc.

opens new division in Independence

Pries Enterprises, Inc. of Waterloo is currently constructing a 40,000-square-foot plant in Independence. The plant, which will be known as Hawkeye Aluminum Company, will employ up to 40 or more people when it opens this fall. In addition to producing quality aluminum extrusions and fabrications, the new plant will have a plant system to better facilitate customers' needs.

Wal-Mart opens Mt. Pleasant facility

Grand Opening

Nearly 7,000 people attended the grand opening of the new 669,312-square-foot Wal-Mart distribution center located in Mount Pleasant. Joining Governor Terry Branstad (center) on the podium were Senator Charles Grassley (left), Wal-Mart Chairman of the Board Sam Walton (right) and Ernie Hayes (standing), chairman of the Henry County Industrial Development Corporation.

Grand opening ceremonies that included Wal-Mart Chairman of the Board Sam Walton, Governor Terry Branstad and Senator Charles Grassley were held April 27 in Mount Pleasant for the 669,312-square-foot distribution center that will employ over 400 people.

Nearly 7,000 people from the surrounding communities were in attendance as Walton discussed the some of the reasons Wal-Mart chose to build in Iowa. He stated that a phone call from Governor Branstad helped Wal-Mart officials decide to open a distribution center in Iowa.

"When he called, it was the first time that a governor has called me to sell his state," Walton stated.

Don Soderquist, Wal-Mart executive vice president of sales, further explained that there were over 30 other communities in Illinois, Missouri and Iowa being considered as a site location.

"We were looking at the people, what attitudes they had and what their leadership was like," Soderquist explained. "We were looking to put the facility in this general area, and once we made the decision to put the center in Iowa, Mount Pleasant did a great job of selling the community and its people."

The facility, the largest distribution center in Iowa, has 15.2 acres under roof. Or, as Governor Branstad stated, "Hayden Fry could have 17 practice fields in this facility." It encompasses a total of 81 acres, providing for 502,848-square-feet of expansion capabilities.

Senator Grassley praised Wal-Mart's new "Buy American" campaign, and stated that he would use his capacity on the Federal Trade Subcommittee to do "anything I can to help Sam (Walton) in his efforts to improve the federal trade deficit and promote American goods through the 'buy American' campaign." Wal-Mart's campaign initiated last February when Walton wrote to 3,000 American manufacturers and wholesalers telling them that the chain wanted to buy more American goods. As of April, Wal-Mart reports that it has written new orders with four suppliers as a result of the 66-year-old Walton's appeal.

"We want to get all area industries involved in this program," Walton said at the grand opening. "We talked to Motorola (of Mount Pleasant) about possibly adding their cellular phone as something we might wish to carry in our stores."

The new distribution center in Mount Pleasant will service over 175 stores in seven states: Wisconsin, Indiana, Illinois, Missouri, Kansas, Nebraska and Iowa. It is the company's first venture in distribution north of its home state (the six other centers are located in Alabama, Texas and Arkansas).

In Iowa, Wal-Mart stores, designed as one-stop family shopping centers featuring a variety of merchandise in 36 departments, are currently located in Muscatine, Anamosa, Pella, Grinnell, Cedar Falls, Independence, Marshalltown and Newton. In addition to these eight stores, which employ nearly 900 people, Wal-Mart plans to open stores in Burlington, Mason City, Fort Madison, Mount Pleasant, Tipton and Ames. In all, Wal-Mart plans to open at least 50 new stores in the upper Midwest.

Wal-Mart is one of the fastest growing and leading retailers in the nation, ranking as the country's eighth largest retailer in a grouping that includes such giants as Sears, Wards and Penney's. In discount retailing, it is second only to K mart Corp.

As Governor Branstad stated in his remarks at the grand opening, "With this background, it is important to see their (Wal-Mart) commitment to Iowa. This distribution center, along with the many new store locations, demonstrate strong confidence in Iowa and our future economic growth."

And, Wal-Mart's commitment to the state is evident in an advertisement recently run with the headline, "Wal-Mart & Iowa . . . Caring, Sharing & Growing Together."

TELECONNECT®
enters joint venture to build fiber-optic telecommunications network

Teleconnect Company of Cedar Rapids and Williams Pipe Line Company, a subsidiary of the Williams Company of Tulsa, Oklahoma, have entered into a joint venture to construct a major fiber-optic telecommunications network criss-crossing Iowa and linking Midwest metropolitan centers.

At the time the announcement was made in May, Governor Terry Branstad hailed the network as "an advanced telecommunications system which positions Iowa for the future, greatly extending our capabilities in commerce, education and quality of life, and as a state of economic opportunity."

Jack Bailey, director of the Iowa Development Commission, states that the fiber-optic network expands an Iowa gateway to economic development. "Economic development for Iowa is our first priority. The Iowa quality of life and outstanding workforce now can link with telecommunications advances to make Iowa an economic magnet, drawing new businesses and industries. Not only firms already operating in Iowa, but also agriculture, education and government can more fully participate in a new era of opportunity for all of us."

The network

The planned 1,200-mile network will employ a highly innovative construction technique — pulling fiber-optic cables through pipelines that will be removed from liquid petroleum transportation service. With some 85 percent of the route using existing pipelines, construction costs, estimated at $26 million, will be an estimated 40 percent less than conventional trenching methods. Use of the pipelines, believed to be the first such extensive undertaking, also will provide greater cable security and improved reliability for the fiber-optic system, as well as on-going savings.

The network will link the metropolitan areas of Kansas City, Omaha, Chicago, Minneapolis, Tulsa and Des Moines, with Des Moines as a central point on both the east-west and north-south legs of the route. The east-west route will cross Iowa from Omaha to the Quad Cities, with a connecting spur to Cedar Rapids. The network will also bring fiber-optic communications to points along and adjacent to the route.

What is fiber-optics?

Fiber-optics is a technology in which messages — voice, data, text or video — are converted to light waves for transmissions through optical fibers made of glass. These fibers are smaller than human hair, and the semiconductor lasers producing the light sources are no longer than a grain of salt. In long distance transmission, for which fiber-optics is ideally suited, light waves are regenerated by lasers approximately every 25 to 35 miles.

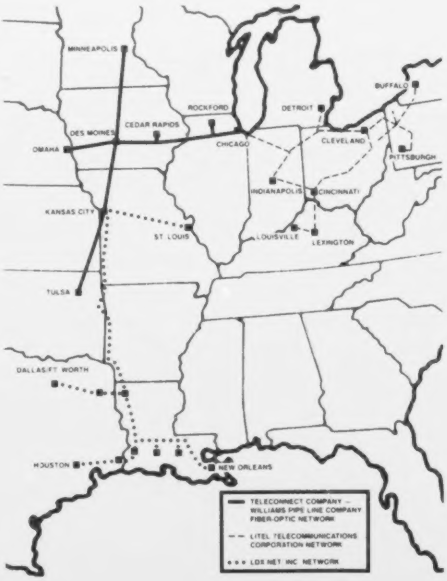
Conversion of sound, data, video and other signals at sending and receiving points is done with electronic equipment that is easily changed and upgraded as technology allows — changes that are completely compatible with the installed glass fibers.

What can fiber-optics do?

Some of the capabilities of fiber-optics transmission include —

A single pair of glass fibers can transmit 6,000 telephone conversations simultaneously. This compares with only one voice conversation on a typical pair of copper wires. The long distance quality of a fiber conversation is as good as a phone call from next door.

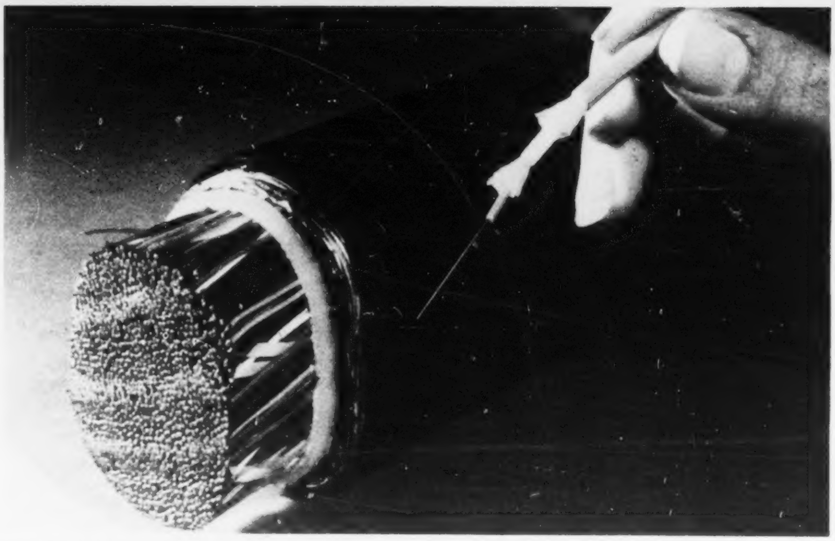
With lasers flashing at rates up to 565 million per second, 2,000 pages of text can be transmitted in one second over a fiber-optic line.



The Teleconnect-Williams Pipe Line Company fiber optic network (shown left as the solid line) is currently under construction. When completed the network will be able to connect with two other fiber-optic systems under construction (shown by broken and dotted lines to the left).

Today's facsimile transfer is typically one page per minute.

Fiber-optics also provides color video transmission of broadcast quality. This can provide commercial, education or private television use of a fiber-optic network. For example, teleconferences for business meetings and conventions will be practical and economical. Televised instruction by a university professor to industries throughout the state will become commonplace.



The optical fiber made of glass (hand-held in the above photo) transmits messages — voice, data, text or video — that have been converted to light waves. A single pair of the glass strands, smaller than human hair, can transmit 6,000 telephone conversations simultaneously. In comparison, a typical pair of copper wires can only transmit one voice conversation. The conventional cable shown above contains 256 pairs of copper wires.

The joint venture

Clark E. McLeod, president of Teleconnect and Roy A. Wilkens, president of the Williams Pipe Line Company, stated at the time the announcement was made in May that the project assigns construction responsibilities to Williams Pipe Line, with Teleconnect marketing the fiber-optic services.

Both companies had previously contemplated the installation of fiber-optic networks to serve their existing communications requirements, and substantial economies will result from combining facilities for those requirements in the joint venture project.

The first phase of construction will cover cable installation from Omaha to the Quad-Cities to Chicago, including the spur to Cedar Rapids, and from Des Moines to Kansas City. Construction began in June and is scheduled to be completed by January 1, 1986.

Work on the second phase is tentatively planned to begin in early 1986. It will extend the network from Kansas City to Tulsa and from Des Moines to Minneapolis, and to Rockford, Illinois. Future plans call for the Teleconnect-Williams network to connect with other fiber-optic networks such as the Litel Telecommunications Corporation fiber-optic network in Chicago and the LDX NET, Inc. network in Kansas City, which is currently under construction.

Teleconnect joins the Clyde Industries to introduce new telephone system

In another joint venture effort, Teleconnect and Clyde Industries America, Inc. have announced the development and production of a new business telephone system being manufactured in Cedar Rapids.

Called the Teleconnect 616, the system is microprocessor-controlled with a capacity for six telephone lines and 16 telephones. It will be the smallest member of a planned family of telephone systems to be introduced in stages over the next several months by the two Cedar Rapids firms.

Teleconnect will market the new system with Clyde Industries doing the development and manufacturing. In order to market the new system, Teleconnect has formed a Communications Product Division. In addition, the Teleconnect 616 will be sold to businesses through Teleconnect sales offices in Iowa, Illinois and Nebraska.

Paul Smith, Jr., general manager for the Teleconnect 616, said the goal is to attain sales approaching $15 million in the first year. Based upon that volume, he estimates an immediate need for 20 employees in sales and administration. Additional employees will be hired as new stages of the system are introduced.

Clyde industries will double its work force to produce the Teleconnect 616, according to Bill Schoon, director of sales and marketing. He expects the number of employees to double, mostly in the production area, to 100 by the beginning of 1986.

Teleconnect began business in 1980 with less than a dozen employees selling and servicing business telephone systems. With nearly 800 employees today, it is also engaged in long distance and telemarketing services.

Co-op tourism ad campaign spurs interest in Iowa

Nearly twice as many people are responding to Iowa tourism advertising this year as last year. A special advertising section placed in the *Chicago Tribune, Kansas City Star* and *Omaha World Herald* has generated over 12,000 responses.

The four-color insert highlighted many of the state's major tourist attractions, and it offered readers a coupon with which they could request more information on specific attractions and receive a free vacation planning kit. Inquiries number 12,471 as of May 29, and packets are being sent out daily in an effort to keep up with the continuing demand.

The visitors and tourism division of the Iowa Development Commission has also received 2,035 inquiries from an ad placed in the 1985 Rand McNally Atlas and 32 from the new Rand McNally Campground Guide. That brings the total number of inquiries from advertising to 14,538. Last year, 7,344 inquiries were attributed to advertising for the whole year.

In addition, general requests for tourism information are up 7,000 over 1984. "This should be the best year ever for Iowa tourism," said Paul Comer, manager of the visitors and tourism division. "We're extremely pleased with the response from our advertising insert, especially since we anticipated about 8,500 replies. Iowa is a great vacation buy, and we're finally getting the word out."

Tourists spend over $1.6 billion in Iowa each year, and many communities are expanding their tourism efforts to attract a portion of this big business. Over the past several years, the IDC has increased its tourism promotion efforts, incorporating the new tourism slogan, "Come Explore the Heartland."

Iowa®
COME EXPLORE THE HEARTLAND℠

Coca-Cola® kicks off Iowa tourism campaign

Coca-Cola® Bottlers of Iowa have recently launched a program promoting Iowa tourism to Iowans. At his May 9 press conference, Governor Terry E. Branstad announced that Coca-Cola will spend approximately $160,000 on the "Come Explore the Heartland" campaign, which will run through the end of the year. The campaign is the largest in-state promotion for Iowa tourism in its 20-year history.

Coke is currently distributing over 700,000 flyers and discount cards in cartons of Coke, Sprite, TAB and diet Coke. The flyers list over 132 Iowa attractions, museums, hotels, motels and restaurants where tourists can obtain discounts simply by presenting the Coca-Cola discount card.

In addition, nearly 100 vacation prizes are being awarded during a 10-week giveaway program, conducted by selected radio stations around the state. Listeners participating in the Coke discount promotion are going to be given the chance to win camping vacations; free lodging at hotels and motels; free tickets; free tours; and free meals.

During "Coke Day" at the Iowa State Fair on August 22, the Coca-Cola Bottlers plan to hold drawings for several grand prizes, including cases of Coke products; a John Deere riding mower; and two Chrysler automobiles.

"With Coca-Cola's help, Iowa is the biggest vacation value of 1985," Governor Branstad said. "More and more Iowans are staying close to home, and seeking vacation opportunities here in the state. The Coke promotion really aids our efforts to keep tourism dollars in Iowa."

Welcome Centers open

Iowa's seven welcome centers located at interstate highway rest areas are now open to assist travelers with directions, provide maps and information about the state and suggest interesting side trips to Iowa's many tourist attractions.

Over 75,000 people signed guest books at the centers in 1984, and it is estimated that their total spending in Iowa last year was nearly $15 million.

Welcome centers are located at these interstate rest areas: westbound I-80 at Waukee and outside Wilton; eastbound I-80 near Underwood and Victor; northbound I-35 at Davis City; southbound I-29 near Sergeant Bluff. All welcome centers are open from 8 a.m. to 7 p.m. daily during the summer season.

May means Dutch tulips in Pella and Orange City

Each May, the blaze of thousands of tulips and the clomp of wooden shoes demonstrates the rich Dutch heritage of Iowa. Festivals held annually in Pella and Orange City feature street-scrubbing, folk dancing and mounds of luscious Dutch pastries and other traditional foods of Holland.

Pella residents were joined by an estimated 150,000 visitors to celebrate the 50th anniversary of Pella Tulip Time. According to Bob Van Hemert, manager of the Chamber of Commerce, "Usually, we have fewer than 200 buses. However, this year we had well over that number."

Van Hemert attributes the larger crowds, in part, to an increased promotional effort by the all-volunteer festival committee. "We used to attend two sport and vacation shows and, perhaps, have 50 bus tours each year. Now we attend seven shows and have about 200 buses."

Dan Kraai, president of the Orange City Chamber of Commerce estimated that over 100,000 people attended the 45th annual Orange City Tulip Festival. "For those people with cabin fever," states Kraai, "it's a chance to get out and enjoy the beauty of spring."

Kraai also stressed that the festival is an inexpensive mini-vacation. "Rooms are available at reasonable rates at Northwestern College, and inexpensive meals are served at several locations," emphasized Kraai.

ZUID HOLLAND

Rubbermaid® plans manufacturing operation in Centerville

Governor Terry Branstad joined Rubbermaid Chairman and CEO Stanley C. Gault to announce the new Rubbermaid Commercial Products plant in Centerville.

Rubbermaid Incorporated has signed a letter of intent to purchase the 137,500-square-foot Centerville facility formerly occupied by Hon Industries.

At a press conference held May 15, Stanley C. Gault, chairman of the board and chief executive officer, stated, "Our rapid growth, both past and projected, has created the demand for additional manufacturing and warehousing capacity. This facility will give us that capacity quickly and efficiently, and will enable us to provide improved service to our customers."

Rubbermaid Commercial Products, Inc. will operate the plant, which will produce and distribute primarily commercial and industrial plastic products. Rubbermaid plans to hire 150 employees initially, adding approximately 100 workers each year for the next two years.

Several factors contributed to Rubbermaid's decision to locate in Centerville. Gault cited the attractiveness of the community; the strong work ethic of the labor force; and the willingness of the community and its leaders to work with business. He also emphasized "the favorable business climate in the state of Iowa, and the recently passed legislation exempting new machinery and equipment from sales and use tax."

In his remarks, Governor Terry E. Branstad said, "Iowa is beginning to see the effects of legislation I recently signed to make the state's business climate more competitive. We are finding that companies currently in the process of making decisions about whether to expand in Iowa followed this legislative debate very closely."

The Iowa Development Commission, Appanoose Industrial Corporaton, Centerville Chamber of Commerce and other area and state agencies contributed to efforts to attract Rubbermaid to Centerville. David Taylor, chairman of the Centerville Chamber of Commerce Industrial Committee, also credited the residents of the area.

"The residents of Centerville and Appanoose County have looked beyond their present economic conditions to put forth the effort and determination, as well as the financial support necessary, to attract a major new industry to this area."

Kemin® opens new corporate research center

Governor Terry E. Branstad, Des Moines Mayor Pete Crivaro and Iowa Development Commission Director Jack Bailey joined Kemin Industries President R.W. Nelson and Research Director Chris Nelson at the grand opening ceremonies of Kemin Industries, Inc.'s $1 million Corporate Research Center held May 6.

This facility, which contains some 6,000-square-feet of experimental area, has been constructed at the company's international headquarters in Des Moines. Incorporated into the design of the building are some of the most up-to-date, state of the art instrumentation and related research facilities for development of new products for feed and human food.

The purpose of the Center is to facilitate new product development and improvements of Kemin's existing products. Kemin currently markets products in six separate areas, ranging from mold inhibitors for animal feed and human food, pigmenters for inclusion into poultry feed for the pigmentation of broiler skins and egg yolks, flavors for animal feed to enhance the palatability and consumption of animal foods, antioxidants for the preservation and vitamins and nutrients within the feed, surfactants for more efficient processing of animal feeds and stabilizers for the earlier harvest and safe preservation of valuable agronomic crops.

IBM inc.

IOWA BEVERAGE MANUFACTURERS, INC. expanding Ottumwa facility

Iowa Beverage Manufacturers Incorporated (IBMI), in a ceremony featuring Governor Terry E. Branstad and company officials, broke ground on May 3 for a 33,000-square-foot addition to their current Ottumwa facility.

"This demonstrates a further commitment by our company to invest $1 million plus in an expansion to produce more flavors (of Canfield's Diet Sodas) because of the success we've had in Iowa," said Alan B. Canfield, vice president of Canfield Beverage, the Chicago-based independent that owns IBMI.

"We welcome this additional investment in Iowa and the jobs that it will provide," said Governor Branstad, who visited Canfield's Chicago headquarters in April during a "Sell Iowa" trip to check on the progress of IBMI's expansion plans.

Demand for Canfield's nine flavors of diet sodas has exploded since the first of the year when *Chicago Tribune* columnist Bob Greene wrote in a nationally syndicated column that Canfield's Diet Chocolate Fudge Soda cured his craving for chocolate and made his diet a success since the soda has only 2 calories. "Ninety days ago we were in four or five states. Now we're in 44," said Canfield, pointing up the huge impact of Greene's column. It produced orders for Diet Fudge Soda from all over the country and strained Canfield production lines.

IBMI employs up to 70 full-time and part-time employees, depending on seasonal demand for soda drinks. The new expansion could result in as many as 40 additional jobs at the plant.

Canfield's diet line with 100% NutraSweet will be distributed from the Ottumwa plant to Iowa, the Minneapolis area, Nebraska, Kansas and Missouri.

Quinn Popcorn receives SBA export award

Kenneth E. Quinn, chief executive officer and owner of Quinn Popcorn Co. in Lake View, has been named 1985 Iowa Small Business Exporter of the Year by the U.S. Small Business Administration, Des Moines District Office.

S.B.A. Des Moines District Director Conrad Lawlor, in making the announcement, cited the company for its total involvement in the popcorn food product industry. He further commended Quinn for establishing a record as a recognized producer of hybrid popcorn seed and high quality popping corn.

Quinn Popcorn is packed and distributed throughout the United States. In the mid-60s, they began exporting their product and today, the company sends popcorn around the world to some 20 foreign markets, including Canada, Europe, British Isles, Italy, Spain, France and Colombia.

"It's small business that creates and supplies the market," stated Lawlor. "It is the hope of S.B.A. that more of our small businesses look to exporting as a means of sales diversification."

Weber joins Community Resources Group

Bret H. Weber has been named as Eastern Iowa regional manager for the IDC's Community Resources Group. Prior to joining the IDC, he worked with the Yosemite Park & Curry Company, The Bankers Life and the Greater Des Moines Chamber of Commerce. Weber is a business graduate of Simpson College in Indianola.

Weber joins James B. Kersten, Central Iowa regional manager and Doug Lewis, Western Iowa regional manager, in assisting communities in their economic development efforts.

Doug Lewis
515/218-8547

James Kersten
515/281-8481

Bret Weber
515/281-8477

Iowa Ag & Business Indicators

Compiled by the Iowa Development Commission

Labor Demand and Supply[1]

February, 1985

Service Areas	Individual Placements	New Applicants & Renewals	Service Areas	Individual Placements	New Applicants & Renewals
Ames	73	456	Iowa City	193	1,172
Atlantic	43	200	Keokuk	47	446
Burlington	85	723	Marshalltown	83	401
Carroll	36	204	Mason City	172	900
Cedar Rapids	217	1,639	Mt. Pleasant	104	830
Centerville	42	269	Muscatine	19	446
Charles City	45	110	Newton	239	338
Clinton	79	954	Oskaloosa	34	240
Council Bluffs	NA	NA	Ottumwa	63	757
Creston	20	253	Sheldon	23	129
Davenport	327	2,238	Shenandoah	38	179
Decorah	14	171	Sioux City	257	1,708
Des Moines	676	1,974	Spencer	35	278
Dubuque	172	1,515	Storm Lake	47	288
Fairfield	26	218	Waterloo	185	1,957
Fort Dodge	175	766	Webster City	64	174
Fort Madison	45	396	**Statewide**	**4,769**	**33,562**

[1] All new applicants and job openings listed with Iowa Department of Job Service.

U.S. Consumer Price Index

	Feb., 1985	Feb., 1984
All Urban Consumers (1967 = 100)	317.4	306.6

U.S. Composite Construction Cost Index

	December 1984	December 1983
U.S. Composite Construction Cost Index (1977 = 100)	164.9	158.3

Business Data

	2/85	2/84	2 mos./85	2 mos./84
New Car Registrations	5,549	6,206	13,579	12,537
Iowa Savings & Loan ($000,000)				
Total Loans Closed	28.4	42.4	62.6	72.5
Savings	41.2	3.5	82.7	34.7
Work Force (000)	1,345.5	1,349.2	1,347.4	1,344.4
Unemployment	83.0	81.7	82.4	82.6
Rate (% of work force)	6.2	6.1	6.2	6.2
Employment	1,262.5	1,267.5	1,265.0	1,261.8

Value of New Dwellings[1] ($000)

	3/85	3 mos./85	3/84	3 mos./84
Ames	$ 483.0	$ 713.0	$ 130.0	$ 130.0
Ankeny	319.3	568.4	292.3	292.3
Bettendorf	1,148.7	1,585.3	830.7	1,646.4
Boone	0	0	0	0
Burlington	0	0	50.0	50.0
Carroll	0	0	0	75.0
Cedar Falls	0	0	229.6	361.1
Cedar Rapids	340.3	738.8	460.2	833.0
Clinton	95.0	173.0	15.0	15.0
Council Bluffs	286.3	530.6	229.3	1,738.7
Davenport	307.7	1,887.2	683.4	1,987.0
Decorah	480.0	480.0	0	60.0
Des Moines	1,445.9	2,622.2	353.2	692.6
Dubuque	0	0	0	66.1
Fairfield	502.0	502.0	1,125.0	2,485.0
Fort Dodge	0	0	397.7	397.7
Fort Madison	98.9	98.9	0	0
Indianola	316.0	316.0	0	0
Iowa City	1,712.9	2,075.2	2,518.1	5,056.3
Keokuk	28.0	89.0	0	216.0
Marion	222.1	259.2	139.1	365.4
Marshalltown	0	0	55.0	55.0
Mason City	517.9	619.9	200.0	223.0
Muscatine	56.3	94.8	197.4	282.2
Newton	186.6	186.6	0	32.6
Oskaloosa	0	0	248.0	337.0
Ottumwa	125.0	217.0	0	0
Sioux City	122.4	175.9	123.9	243.1
Spencer	0	0	40.0	90.0
Urbandale	2,143.6	2,379.6	1,339.2	3,466.5
Waterloo	0	0	106.0	152.6
West Des Moines	1,691.2	6,721.9	1,224.5	1,884.9
Total	**$ 12,701.1**	**$ 23,034.5**	**$ 10,987.6**	**$ 23,234.5**

[1] Single, two-family and multiple residential dwellings, based on housing permits issued.

Farm Retail Price Spreads

	Jan. '85	Jan. '84
Beef, Choice:		
Retail price (cts./lb.)	239.7	239.3
Net carcass value (cts.)	147.0	155.9
Net farm value (cts.)	139.8	146.1
Farm-retail spread (cts.)	99.9	93.2
Pork:		
Retail price (cts./lb.)	166.0	162.2
Wholesale Value (cts.)	110.0	112.9
Net farm value (cts.)	78.0	79.3
Farm-retail spread (cts.)	88.0	82.9
Dairy Products:		
Retail cost (1967 = 100)	258.8	250.8
Farm value (1967 = 100)	263.3	259.1
Farm-retail spread (1967 = 100)	254.8	243.5
Eggs:		
Retail cost (1967 = 100)	161.3	266.5
Farm value (1967 = 100)	153.7	332.6
Farm-retail spread (1967 = 100)	172.2	170.9

Personal Income Quarterly Periods

	1984		1983	
	II	III	II	III
Personal Income ($000,000)	34,515	35,041	30,470	31,619

Stock Index

	Iowa*	Dow Jones Industrial
Jan., 1985	233.64	1,277.72
Feb., 1985	234.07	1,284.01
Mar., 1985	229.38	1,266.78

*Robert C. Westlund, Piper, Jaffray & Hopwood, Inc.
(1967 = 100)

Average Price Received by Farmers

	3/85	2/85	3/84
Corn, bu.	$ 2.57	$ 2.52	$ 3.15
Soybeans, bu.	5.67	5.60	7.69
Oats, bu.	1.79	1.81	1.97
Hogs, cwt.	44.00	48.70	45.80
Beef cattle, cwt.	55.70	58.90	61.30
Calves	64.90	64.00	61.70
Milk (whls), cwt.	13.10	13.20	13.00
Sheep, cwt.	23.30	26.80	18.20
Lambs, cwt.	63.70	64.00	60.00
Eggs (market), doz.	.40	.31	.61
All hay, ton baled	52.00	55.00	82.00
Turkeys, lb.	.40	.40	.41

Average Price Paid by Farmers

	3/15/85	3/15/84
Beef cattle concentrated, 32-36%	$ 10.90	$ 14.00
Hog feed, 38-42% protein	11.80	15.80
Soybean meal, 44% protein	8.90	13.50
Dairy feed, 16% protein	168.00	210.00
Poultry feed, layer ration	190.00	186.00

Commodity Feed Price Ratios

	3/15/85	3/15/84
Hog — corn[1]	17.1	14.5
Beef cattle — corn[1]	21.7	19.5
Egg — feed[2]	4.8	7.0
Milk — feed[3]	1.56	1.24

[1] Bushels of corn equal in value to 100 lbs. of hog or cattle liveweight.
[2] Pounds of laying feed equal in value to 12 eggs.
[3] Pounds of concentrate ration equal in value to 1 lb. of wholesale milk.

Iowa Economic Indicators

Office for Planning and Programming

Keith Heffernan, Director
Steven L. Rosenow, Staff Economist

Iowa GSP fell 5.4 percent for 1984; U.S. GNP rose 5.6 percent

The economic situation in Iowa remains markedly different from that for the nation as a whole. The state's gross state product (GSP) fell from $34.3 billion at the end of 1983 to $33.6 billion at the end of 1984, a two percent decline. When adjusted for the effects of inflation on the values, the measure of Iowa's aggregate economic activity fell by 5.4 percent for the year. During this same period, the gross national product increased by an inflation-adjusted 5.6 percent. Iowa's GSP has registered declines in each of the past five calendar quarters.

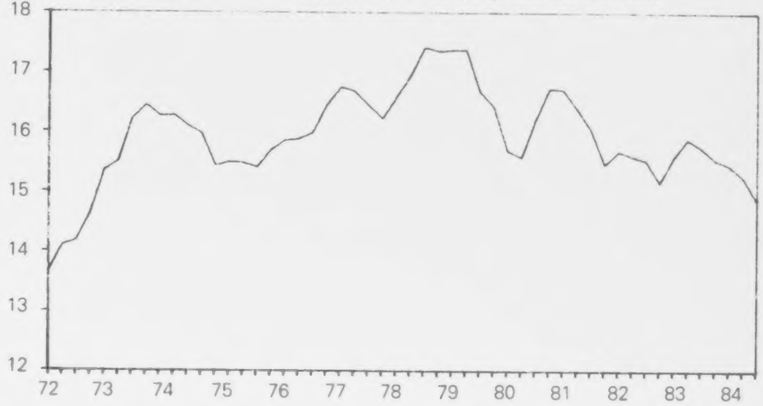
The real yearly decline in 1984 is attributed to a 0.4 percent decline in the state's personal income, which reflected a decline in farm proprietors' income in each of the quarters of 1984. The Iowa farm income from $721 million at the end of 1983 to a negative of $536 million during the final quarter of 1984. Even after adjusting the numbers for inflation, this component fell by 189 percent in the past year–a fact that has not been lost on bankers, implement dealers and rural retailers. The onset of the planting season should provide some much needed relief for many small town merchants.

In contrast to the drops in farm income, two components of personal income have made significant gains during 1984. However, these components, personal dividend income and personal interest income, are not included in GSP estimates since they are not related to the current production of goods and services. Another personal income component which is excluded from GSP, government transfer payments, has remained stagnant during the past four quarters.

In addition to the declines in the components of the state's personal income, 1984 was characterized as a year of declines in corporate profits in the state's industries–down an inflation-adjusted 7.3 percent.

On the upside, personal interest and dividend income for Iowans rose an inflation-adjusted 13.7 percent for the year. Currently, dividends represent 2.4 percent and interest, 20.9 percent of Iowa's personal income level.

Iowa Gross State Product
(billions of constant 1972 dollars - seasonally adjusted annual rates)



Selected Economic Indicators
All Series Seasonally Adjusted

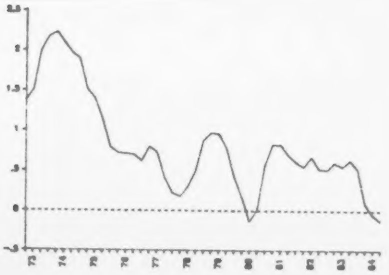
	Annual Average 1984	Latest Period	Value	Percent Change from Prior Period	Percent Change from Year Ago	Percent Change from 2 Years Ago
Iowa Gross State Product (billions)						
Constant (1972) dollars	15.3	'84 Q:4	14.9	−2.7	−5.4	−4.1
Current dollars	34.1	'84 Q:4	33.6	−2.0	−2.0	3.1
Iowa Personal Income (billions)						
Constant dollars	14.9	'84 Q:4	14.9	0.4	−0.4	0.7
Current dollars	33.2	'84 Q:4	33.8	1.1	3.2	8.6
Gross National Product (billions)						
Constant dollars	1,637.9	'84 Q:4	1,656.7	0.7	5.3	12.0
Current dollars	3,659.9	'84 Q:4	3,747.2	1.4	9.2	20.5
Iowa Composite Indices						
Leading	144.4	January	147.5	2.4	2.1	12.2
Coincident	135.1	January	135.6	0.6	0.2	7.5
Lagging	130.3	January	132.1	2.0	1.8	4.6

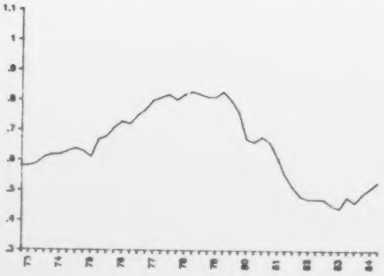
(All indices - 1967 = 100)	Annual Average 1984	Jan. 1985	Percent Change from Previous Month	Percent Change from Previous Year	5-year High	5-year Low
Ia. Industrial Prod. Index	141.4	139.5	−0.4	−0.5	159.4	116.4
Food & Kindred Products	140.0	138.0	0.7	−4.2	149.1	134.8
Printing & Publishing	180.6	188.7	1.3	6.0	188.7	154.9
Rubber & Plastics	355.2	345.1	0.2	2.7	370.2	229.3
Fabricated Metals	128.7	131.0	0.0	3.6	151.8	102.9
Farm Machinery	77.4	70.5	−1.7	−4.8	137.0	49.6
Construction Machinery	112.0	101.9	−8.9	−7.9	191.1	41.3
Electrical Equipment	126.2	129.5	0.9	3.0	145.2	107.6

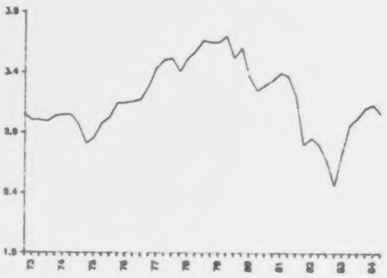
Total income earned in Iowa's agricultural sector declined for the fourth consecutive period during the third quarter of 1984 and helped push the estimate of the state's total labor, proprietors' and corporate income down by 1.1 percent during the period. The farm portion of the economy was joined by a number of other major sectors in its decline. Total income earned in manufacturing, trade and the financial industries exhibited declines ranging from 1.1 to 2.5 percent.

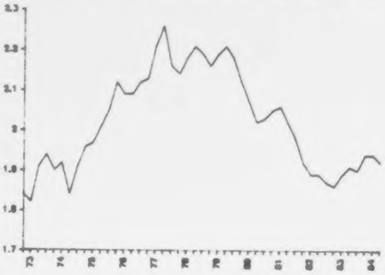
Labor, proprietors' and corporate income earned in agriculture experienced further declines during the third quarter. In addition, the Federal Reserve Bank of Chicago reports in their Agricultural Letter that farmland values in Iowa fell 22 percent during 1984 and nearly 38 percent since their peak level in 1981. As a result, more farmers are facing loan repayment difficulties. Iowa bankers report that 18 percent of their farm loans face significant repayment difficulties. The impact of the federal farm debt restructuring program is uncertain; during the first four months of the program, only two Iowa loans were involved. However, recent federal and state efforts to make the program more attractive to lenders are expected to boost participation in the program. Another major factor limiting farm income is the dollar's strength against foreign currencies. The strong dollar makes American grain more expensive overseas and limits American penetration of foreign markets. Despite an easing of interest rates during the latter half of 1984, the dollar refused to weaken and continued to gain strength. Many analysts indicate that prospects for a significant weakening of the dollar are slight, and diminished export markets will continue to plague agriculture in the near future.

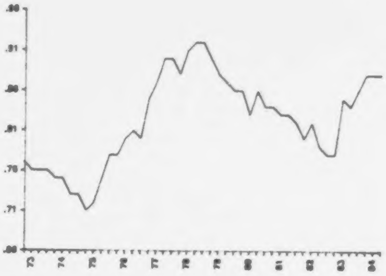
Total income generated in Iowa construction industries grew by 3.9 percent during the third quarter of 1984, despite the slowly rising home

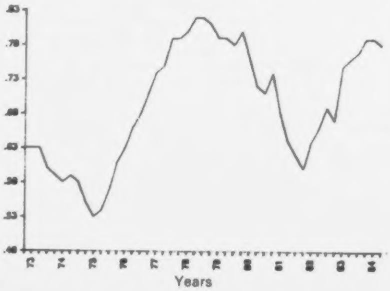






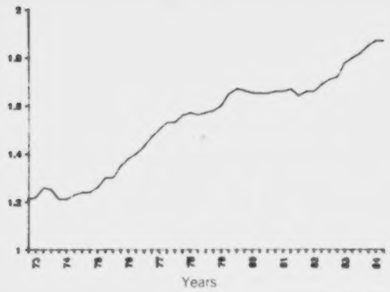






Total Labor, Proprietors' and Corporate Income in Iowa
Seasonally Adjusted at Annual Rates
Billions of Constant (1972) Dollars

	Annual 1982	Average 1983	1984 Q:2	1984 Q:3	Percent Change from 84 Q:2	Percent Change from 83 Q:2
Total Income	10.32	10.59	10.58	10.46	− 1.1	− 4.3
Goods-producing	3.83	3.85	3.61	3.48	− 3.4	− 15.2
Agriculture	0.55	0.57	−0.06	−0.13	N/A	N/A
Mining	0.02	0.02	0.02	0.02	4.7	20.3
Construction	0.47	0.46	0.51	0.53	3.9	9.2
Manufacturing	2.78	2.80	3.14	3.06	−2.5	2.9
Durable Goods	1.54	1.52	1.76	1.74	−1.0	6.3
Primary Metals	0.08	0.08	0.11	0.10	−3.7	20.3
Fabricated Metals	0.22	0.22	0.25	0.24	−2.3	2.9
Machinery	0.64	0.56	0.68	0.66	−3.0	11.1
Electrical Equipment	0.28	0.25	0.26	0.27	1.2	0.9
Nondurable Goods	1.25	1.29	1.39	1.32	−4.6	− 1.8
Food and Kindred	0.58	0.58	0.58	0.56	−3.3	− 2.0
Printing and Publishing	0.22	0.22	0.23	0.24	2.4	6.1
Rubber and Plastics	0.11	0.12	0.14	0.15	4.0	17.9
Service-producing	6.49	6.74	6.97	6.97	0.0	2.3
Transportation & Utilities	0.80	0.83	0.88	0.88	0.0	5.5
Trade	1.89	1.89	1.94	1.92	−1.1	0.5
Wholesale	0.88	0.85	0.88	0.87	−0.4	1.6
Retail	1.02	1.04	1.06	1.04	−1.8	− 0.4
Finance, Insurance and Real Estate	0.65	0.74	0.79	0.78	−1.1	2.9
Services	1.68	1.78	1.87	1.87	0.1	4.1
Government	1.48	1.51	1.49	1.52	2.1	0.5



mortgage interest rates of the period. Mortgage rates remained somewhat elevated during the fourth quarter. However, construction employment held up well, and construction income can be expected to remain fairly stable for the period. In addition, very preliminary indications point to the potential for stability during the first quarter of 1985. Many interest rate indicators started the year by decreasing from their December levels, and the level of residential construction intentions indicated by new construction contracts increased sharply to begin the year.

Total labor, proprietors' and corporate income originating in the state's manufacturing sector dropped by 2.5 percent during the third quarter of 1984, following five consecutive quarters of growth. Income attributed to durable goods manufacturing declined by 1.0 percent. Income earned in the troubled primary metals (down 3.7 percent), fabricated metals (down 2.3 percent) and nonelectrical machinery (down 3.0 percent) industries each dropped after experiencing significant gains during the previous quarter. Among manufacturers of nondurable goods, declines were experienced in the food products and other nondurable goods categories. Two other major sectors of the nondurable goods manufacturing sector experienced growth during the period. Income from the printing and publishing industry grew by 2.4 percent, and rubber and plastic product manufacturing income was up by 4.0 percent.

Estimated income earned in the service-producing industries was unchanged from the prior period's level during the third quarter of 1984. Income declines were experienced during the period by the trade and financial sectors, and income growth within the services industries grew only slightly.

Labor, proprietors' and corporate income attributed to Iowa's transportation, communication and utilities industries exhibited no change during the third quarter from second quarter levels. Employment within this sector exhibited no significant changes during all of 1984, and relatively stable income can be expected for the fourth quarter.

Income generated in the state's trade sector declined by 1.1 percent during the third quarter, with the drop split between the wholesale and retail portions of the industry. The effects of the past several years'declining income levels in agriculture and manufacturing are apparent. Trade income has declined in three of the past four quarters, with the retail portion absorbing the greater portion of the drop.

Declining interest rates may have been the cause for the 1.1 percent decline in income earned in the financial sector during the third quarter. Falling interest rates depress insurance company earnings by reducing the companies' return on their investments. The slight drop in income during the third quarter may be a reflection of the gently falling interest rates of the period. Employment during both the third and fourth quarters was stable.

Income attributed to the service industries, much like that of the trade sector, depends on the level of income and activity in agriculture and manufacturing. The very small (0.1 percent) increase experienced during the third quarter reflects the slump of the goods-producing industries. Employment was stable during the period, although some declines were experienced in health care services.

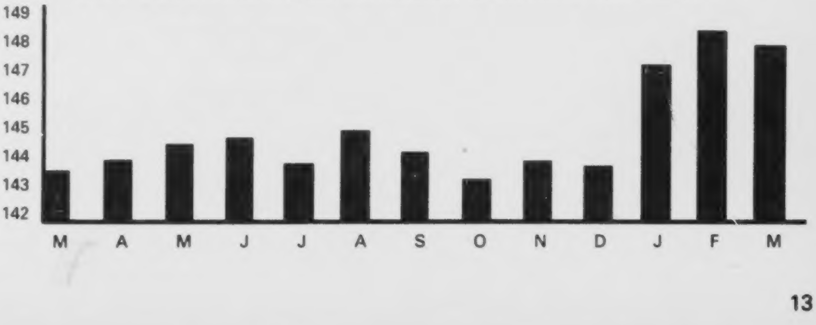
The **Iowa Index of Leading Economic Indicators** declined in March, continuing the pattern of erratic behavior which has been evident during most of the past year. This index, which is designed to provide early detection of changes in Iowa economic trends, has not moved continually in one direction for three consecutive months since April, May and June of last year. The leading indicators dipped by 0.2 percent in March, as four of the index's five components declined. Initial claims for jobless benefits, which improved for the third consecutive month, was the lone bright spot among the leading indicators.

The indices of coincident and lagging indicators also declined during the latest period. The three composites portray the state's economy as being without any clear trend. However, recent declines in interest rates bode well for construction and a number of other interest rate-sensitive Iowa industries.

The **Iowa Composite Index of Coincident Economic Indicators** dropped by 0.3 percent in March. This index is designed to reflect current economic conditions in the state, and for the past year no clear trend has been evident in its movements. The monthly decline in March resulted from drops by three of the four indicators included in the composite. Rising industrial production was not sufficient to offset declines in nonfarm employment, new incorporations and state sales tax receipts.

The **Iowa Composite Index of Lagging Economic Indicators** dropped by 0.3 percent in March, largely on the strength of a decline in state income tax receipts.

Iowa Composite Index of Leading Economic Indicators



JOB SERVICE OF IOWA

Labor Market Information

Richard Freeman, Director **Ann Wagner, Labor Market Analyst**

State Unemployment Drops in March

Iowa's unemployment rate dropped to 5.8 percent in March from 6.3 percent in February. The comparable rate for the same period one year ago was 5.8 percent. Recall activity in durable goods manufacturing and seasonal hiring in several of the nonmanufacturing industries helped to alleviate statewide joblessness.

The March unemployment rate represented 78,800 unemployed Iowans out of a labor force that totaled 1,359,400. The jobless count stood at 85,300 for February, and at 78,900 for March 1984.

Total employment increased to 1,280,700 in March, posting a gain of 19,000 from the previous month. Employment was reported at 1,261,700 in February, and at 1,290,200 for the same month last year. Agricultural employment grew by 14,200 workers in March. Gains of 4,100 were registered for nonagricultural wage and salary employment, and 700 for a third category comprised of self-employed workers, unpaid family members, and private household workers.

The number of workers employed in manufacturing rose to 207,500 in March, an increase of 900 from the February level of 206,600. A recall of 1,300 workers in the construction machinery industry accounted for the large monthly gain. Manufacturing was reported at 210,500 workers in March 1984. Over-the-year losses were primarily concentrated in farm machinery and meat products.

Employment conditions in the monmanufacturing industries appeared favorable in March, as advances of 3,200 were reported from the previous month. Seasonal hiring was apparent in construction, in retail trade, in the services, and in local government. Annual gains in the nonmanufacturing industries totaled 1,900. Comparable data for one year ago showed construction jobs up 1,600; finance, insurance and real estate up 1,400; services up 100, and government up 3,200. Three industries showed a drop from last year — mining down 100; transportation, communication and utilities down 600; and wholesale and retail trade down 3,700.

Iowa Labor Force Summary

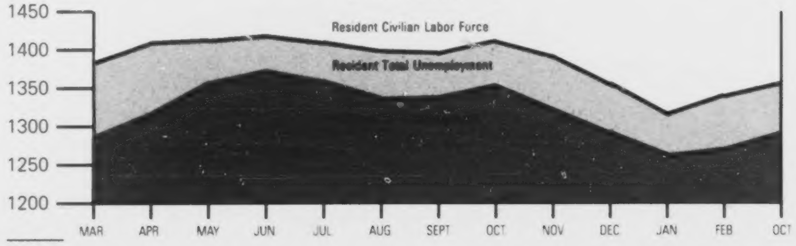
(In Thousands)

	Mar. 1985	Feb. 1985	March 1984
Resident Civilian Labor Force	1,359.4	1,346.9	1,369.2
Resident Unemployed	78.8	85.3	78.9
Percent Unemployed	5.8	6.3	5.8
Resident Total Employment	1,280.7	1,261.7	1,290.2
National Unemployment Rate*	7.3	7.3	7.8
Iowa CPS Unemployment Rate**	9.1	9.6	8.3

*Seasonally adjusted rate.
**Current Population Survey (CPS) rate should be used for federal and state funding purposes.

Labor Force, Employment, Percent Unemployed

March 1984 through March 1985 (Non CPS)
State of Iowa



	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	OCT
Resident Unemployed	78.9	74.4	65.0	63.1	61.8	57.3	55.5	56.7	60.4	67.6	82.7	85.3	78.8
% Unemployed	5.8	5.3	4.6	4.4	4.4	4.1	4.0	4.0	4.4	5.0	6.2	6.3	5.8

Iowa Nonagricultural Wage and Salary Employment

Place of Work Data - In Thousands

	Mar. 1985	Feb. 1985	Mar. 1984	Net Change From Feb. 1985	Net Change From Mar. 1984
Total Nonagricultural	1,052.6	1,048.4	1,053.7	4.2	-1.1
Manufacturing	207.5	206.6	210.5	0.9	-3.0
Durable Goods	121.2	120.1	122.4	1.1	-1.2
Nondurable Goods	86.3	86.4	88.1	-0.1	-1.8
Nonmanufacturing	845.1	841.9	843.2	3.2	1.9
Mining	1.6	1.4	1.7	0.2	-0.1
Construction	30.1	29.0	28.5	1.1	1.6
Transportation, Communication & Utilities	49.9	49.9	50.5	0.0	-0.6
Trade	263.7	263.1	267.4	0.6	-3.7
Finance, Insurance & Real Estate	62.1	62.0	60.7	0.1	1.4
Government	212.5	211.9	209.3	0.6	3.2

Available Buildings

This is not a complete list of all buildings available in Iowa. For further information, please call 515-281-3251.

Square Footage	Community	Former Use
10,000	Charles City	Spec Building
10,880	Manchester	Industrial
12,000	Sioux City	Spec Building
12,500	Cherokee	Spec Building
13,600	Davenport	Warehouse
16,000	Guttenberg	Light Industrial
20,000	Clinton	Spec Building
20,000	Maquoketa	Spec Building
21,000	Corning	Spec Building
21,205	Oskaloosa	Spec Building
22,500	Red Oak	Spec Building
23,000	Waverly	Spec Building
27,374	Iowa City	Warehouse
27,574	Webster City	Heavy Industrial
32,580	Sioux City	Light Manufacturing
33,500	Des Moines	Industrial
40,000	Creston	Spec Building
40,125	Hamburg	Commercial
42,300	Jefferson	Light Industrial
47,596	Boone	Heavy Industrial
49,474	Albia	Manufacturing
54,080	Oskaloosa	Industrial
54,240	Camanche	Industrial
59,512	Denison	Manufacturing
65,105	Ottumwa	Industrial
66,708	Johnston	Warehouse **(Sold)**
70,766	Forest City	Manufacturing **(Sold)**
78,317	Fairfield	Manufacturing
81,400	Algona	Industrial
88,900	Council Bluffs	Manufacturing
90,000	Fort Dodge	Manufacturing
91,340	Story City	Light Industrial
100,000	Cedar Rapids	Light Manufacturing
124,626	Jefferson	Industrial
137,500	Centerville	Manufacturing **(Sold)**
160,270	Albia	Industrial
169,000	Red Oak	Manufacturing
180,000	Sioux City	Office Plaza
245,774	Waterloo	Industrial
655,430	Des Moines	Industrial

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DEVELOPMENT
COMMISSION

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Vol. XIV-No. 4

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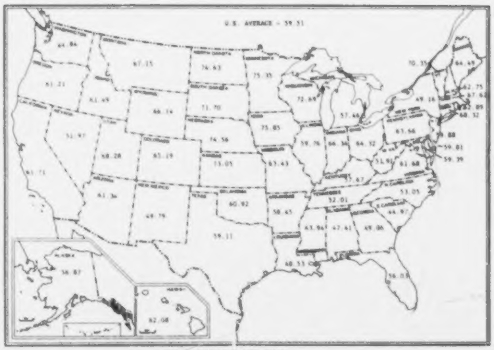
Iowa leads nation in quality of life

According to a study recently released by the Iowa Development Commission, Iowa ranks first among all 50 states in quality of life. For the second consecutive year, Iowa ranks ahead of other states in an indexed comparison of 23 publicly-available statistics, including such factors as education, health care, public safety and economic indicators.



NATIONAL QUALITY OF LIFE SCORES

In overall quality of life index scores, midwestern states ranked very high. Iowa scored highest with 75.85, followed by Minnesota (75.35), North Dakota (74.63), Nebraska (74.56) and Kansas (73.05) in the top five. South Dakota and Wisconsin were in the top ten.

The Research and Development Group of the IDC released the first quality of life study last year, comparing Iowa to 11 other midwestern states. This year, the study included all 50 states, as well as national figures.

"We wanted to give people a better idea of where Iowa ranks nationally," said Jack Bailey, director of the IDC. "Quality of life is a significant non-cost factor in economic development, and a study of this type puts data in a useful form for comparison between states."

Iowa scored very high in the area of education, which included such items as college entrance scores and high school graduation rate, and economic indicators such as grocery prices and state government debt per capita. Overall, Iowa ranked far above the U.S. average in nearly every category.

For a copy of the Quality of Life study, contact the Research and Development Group of the IDC.